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A Textbook of **Social Sciences**

Class X

Edited by
I.L. Wanchoo
Arun Kumar



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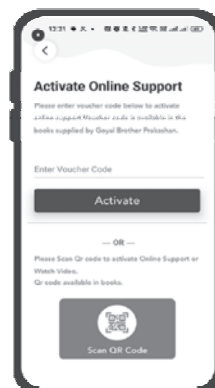
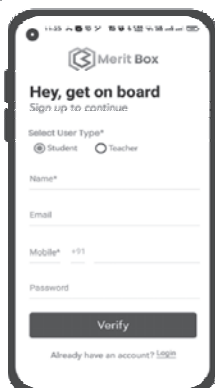
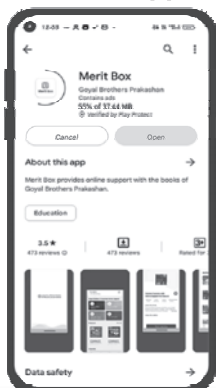
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PREFACE

A **Textbook of Social Sciences for Class X** has been written in accordance with the latest **Rationalised** syllabus of the **Nagaland Board of School Education**, Kohima.

The book has 4 units. **Unit I** deals with **India and the Contemporary World**, **Unit II** with **Resources (India)**, **Unit III** with **Democratic Politics** and the last, **Unit IV** with **Understanding an Economy**.

The book is a sincere attempt to make Social Sciences an interesting, learner friendly subject which is easy to grasp.

Salient Features of this series :

- Strictly based on the latest syllabus of Nagaland Board of School Education for Class 10.
- The content has been remodelled strictly according to instructions issued by NBSE vide the letter No.NBE-3/Ad-Tb (10)/2023-24/2404 dated 7th August 2023.
- **Latest varieties of competency Based Questions including Assertion-Reason, statement based logical questions, picture study based questions, case-study based questions have been included.**
- These questions shall promote and encourage creative and critical thinking, decision making, and problem solving skills of the students.
- **Simple and lucid language** has been used throughout to make the contents learner friendly and easy to grasp.
- A **Timeline** is given at the end of each chapter (in History Section), to help the students grasp when major events occurred and their place in history.
- **Points to Remember** is a short summary of the chapter for its quick recapitulation.
- **Important Terms** have been explained.
- The **Exercises** are based on the **Nagaland Board of School Education examination pattern** and cover the whole chapter **comprehensively**.
- **Accurate maps, figures and pictures**, latest data and facts help in comprehension and arouse interest in the events described.
- Some interesting information has been provided in each lesson as **Fact File** or box matter.
- Topic wise QR Codes provided in each chapter to facilitate easy access to various topics.

The book is a sincere attempt to make Social Sciences an interesting, learner friendly subject which is easy to grasp.

Any suggestions to improve the book will be gratefully accepted.

— **Authors**

SYLLABUS

SOCIAL SCIENCES

Unit - Wise Weightage

Part – ‘A’ External

Time : 3 hours

Marks : 80

Units

Marks

I	India and the Contemporary World	18
II	Resources (India)	18
III	Democratic Politics	16
IV	Understanding an Economy	18
V	Nagaland (Geography & G.K. — a separate textbook)	10

Total :

80

Part – ‘B’ Internal

20

Grand Total :

100

PART-A : EXTERNAL

80 Marks/180 Periods

Unit – I : India and the Contemporary World

18 Marks/44 Periods

a. Nationalism in Europe :

- * The growth of nationalism in Europe after the 1830's.
- * The ideas of Giuseppe Mazzini etc.
- * General Characteristics of the Movements in Poland, Hungary & Greece.

b. Nationalist Movement in Indochina :

- * French colonialism in Indochina.
- * Phases of struggle against the French.
- * The Second World War and the struggle for liberation.

c. Nationalism in India :

- * Satyagraha Movement.
- * Movements of peasants, workers, tribals.
- * Simon Commission.
- * INA, Cabinet Mission.

d. Trade and Globalisation :

- * Expansion and integration of the world market.
- * Trade and economy between the two wars.
- * Shifts after the 1950s.
- * Impact of globalisation

Unit – II : Resources (India)

18 Marks/44 Periods

a. Resources : Need for resource planning.

Natural Resources :

Land : Changing land use pattern, land degradation, soil types and conservation measures.

Water Resources : Multipurpose projects, need for conservation and management, rainwater harvesting.

Mineral : Types, economic importance and conservation.

b. Power Resources :

- * Types of power resources – conventional and non-conventional, utilisation and conservation.

c. Agriculture :

- * Types of farming, major crops, cropping pattern, technological and institutional reforms, their impact.

d. Manufacturing Industries :

- * Types
- * Industrial pollution and degradation of environment.
- * Measures to control degradation.

e. Transport and Communication :

- * Types and importance.

f. Map Reading :

- * Uses of map, classification of map basing on functions, grid reference.

Unit III : Democratic Politics

16 marks/42 periods

a. Working of democracy :

- * Division in the working of democracy.
- * Effects of caste on politics and of politics on caste.
- * Gender division in politics.
- * Effects of communalism in democracy.

b. Power sharing mechanisms in democracy :

- * Division of power in democracies.
- * Indian Federalism towards national unity.
- * Decentralisation and national unity.
- * Accommodation of different social groups in democracy.

c. Competition and contestations in democracy :

- * Shaping of democracy in favour of ordinary people.
- * Role of political parties in competition and contestations.
- * Party system in India.

d. Outcomes of democracy :

- * Democracy and its outcomes.
- * Expectations of democracies with special reference to India.
- * Development, security and dignity for the people in democracy.
- * Factors that sustain democracy in India.

Unit IV : Understanding an Economy

18 marks/35 periods

a. Development :

- * Traditional notion of development — national income and per-capita income.
- * Growth of NI – critical appraisal of existing development indicators (PCI, IMR,SR and other income and health indicators).
- * The need for health and educational development – Human Development Indicators (in simple and brief) as a holistic measures of development.

b. Money and financial system :

- * Role of money in an economy.
- * Formal and informal financial institutions for savings and credit.
- * One formal institution such as a nationalised commercial bank and a few informal institutions – Local moneylenders, landlords, self help groups, chit funds and private finance companies.

c. Role of Service Sector in Indian Economy :

- * Service sector and its importance in generating employment and income to the nation.
- * Growth of service sector in India.
- * India as a major service provider to the world.
- * Need for public investment.
- * The role of important infrastructure – education and health.

d. Consumer awareness :

- * Exploitation of consumer and its causes.
- * Rise of consumer awareness.
- * Consumer's responsibility in a market.
- * Role of government in consumer protection.

Unit V : Nagaland (Geography & G.K.)

10 marks/15 periods

PART-B : INTERNAL

20 Marks

1. Activities	10
2. Assignment	5
3. Formal Testing	5

***NB:** It is expected that students are assessed on continuous and comprehensive basis on the given topics. The role of teachers assumes a very significant part, as such, they are expected to be fair and assess the performance of the students without any bias.*

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UNIT - I

INDIA AND THE CONTEMPORARY WORLD

1

The Rise of Nationalism in Europe

The nature of nationalism in Europe underwent many changes. Nationalism did not exist in Europe in the Middle Ages (in its present form). At that time all Christians in Western Europe belonged to the Catholic church; all educated people used the Latin language; and they all lived under the Holy Roman Empire. Allegiance to a nation, by the masses, as a result, was unknown in those centuries.

Three developments gradually brought about changes —

- (i) The Renaissance led to the rise of the vernacular languages and use of those languages for literary expression.
- (ii) The Reformation made several national churches to break away from the Catholic church.
- (iii) Rise of strong dynasties and kingdoms. In England, France, Spain, Portugal and Denmark, kings built and consolidated large independent states.

These developments formed the basis of rise of nationalism in Europe. But till the late 18th century, a nation was identified with the name or person of the sovereign. Examples : the Tudors or the Stuarts of England, the Habsburgs of Austria.

It was only in the nineteenth century that nationalism became such a force that it brought about dramatic changes in the intellectual and political world of Europe. Instead of multi-national dynastic empires (for example, the Habsburgs of Austria, the Tsars of Russia), there arose new **Nation States**. These new nation states had a centralised power which ruled over a clearly defined territory. In these states, **not** only the ruler but the **common people** also shared a common identity and history. Through different events and processes, nation states and nationalism emerged in Europe.

What is a Nation?

- A. A nation is described as a community of people who believe that they have a common homeland. Their sense of belonging together derives from the experience of common traditions and historical developments.
- B. A nation comprises citizens “who inhabit a common territory, possess a voice in their common government, and are conscious of their common heritage and their common interests.”

According to Ernst Renan, “A nation is the culmination of a long past of endeavours, sacrifice and devotion. A heroic past, great men, glory, that is the social capital upon which one bases a national idea. To have common glories in the past, to have a common will in the present, to have performed great deeds together, to wish to perform still more, these are the essential conditions of being a people. A nation is, therefore, a large-scale solidarity ... Its existence is a daily **plebiscite**...”

THE SPREAD OF THE IDEA OF NATIONALISM IN EUROPE



The first clear expression of nationalism came with the French Revolution in 1789. France was a full-fledged territorial state in 1789 under the rule of an absolute monarch. The political and constitutional change that came in the wake of the French Revolution led to the transfer of sovereignty to a body of French citizens. The Emperor Louis XVI was executed. The revolution proclaimed that it was the people who would henceforth constitute the nation and shape its destiny.

If we look at the map of Europe given on the next page, we will notice that there were still no nation-states in Europe. There were no nations like Germany, Italy or Switzerland. Let's take a close look at the map and take the example of **The Austrian Empire**

(or the Habsburg Empire). It comprised Austria, Hungary and different regions like Galicia, Sudetenland, Tyroe, Bohemia, Lombardy and Venetia. Different languages were spoken, there were different races under one Emperor. For example, Lombardy and Venetia were Italian speaking areas; Bohemia was German speaking. In Hungary, half the people spoke Magyar, Galicia was Polish and the rest spoke a variety of dialects. There was no sense of political unity. Different ethnic groups, speaking different languages, owed loyalty only to the Emperor.

Same was the case with the Ottoman Empire, the Prussian Empire, the Eastern and Central Empires.

Then, how did the nation states catch the imagination of the people? There were many factors that led to the rise of nation states. Among them the most important were :

- (i) The rise of a new middle class.
- (ii) The spread of the ideology of liberalism.
- (iii) The Treaty of Vienna and a new spirit of conservatism.

The New Middle Class

Till the nineteenth century, the landed aristocracy was the most powerful class in Europe. Though they were a small group, they owned most of the land. They were a close knit group, connected to each other by ties of marriage. They were united by a common way of life.

But the majority of people were peasants, or tenants farming small landholdings. In Eastern and Central

Europe vast estates were farmed by serfs. In Western Europe, the bulk of land was cultivated by tenants and small owners.

The Industrial Revolution brought about a great social change. It created new social groups, made up of the working class and middle class population. The educated middle class spread the ideas of **liberalism** and **national unity**. They demanded an end to the privileges of the aristocracy.

Liberalism – Its Importance

The term liberalism has its roots in the Latin word 'Liber'



which means **free**. For the new educated middle class it meant **freedom of the individual** and **equality of all before the law**.

(A) Politically, liberalism stood for (i) a constitution; (ii) a representative government ruling by consent; (iii) a parliamentary system (iv) ownership of private property; (v) end of the privileges of the aristocracy.

Drawbacks : (i) Till the Early 20th century liberalism **did not** grant equal rights to **men** without property and all **women**. (ii) There was no universal suffrage. Under the French Revolutionary Government and under



Europe Under Napoleon, 1810



Map of Europe, After Treaty of Vienna, 1815



The Congress of Vienna or Treaty of Vienna – 1815

Napoleonic Code women were denied all political rights and were subjugated to the authority of fathers and husbands. Throughout the nineteenth century and early twentieth century, women struggled for their political rights.

(B) Economically, liberalism stood for (i) Freedom of markets ; (ii) End of state restrictions on movement of goods and capital ; (iii) A customs union or **Zollverein** was formed by Prussia in 1834, which many German states joined. (iv) This Union reduced the number of currencies from over thirty to two and abolished tariff barriers; (v) A network of railways led to great mobility and gave an impetus to national unity. It boosted economic nationalism.

The victorious European powers, who defeated Napoleon by fighting together, drew up a plan for Europe. These powers were Britain, Russia, Prussia and Austria. They were led by the Austrian chancellor,



The Congress of Vienna – 1815

Duke Metternich. These powers changed the political map of Europe under a new settlement for Europe. The changes were :

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S**
- The Bourbon dynasty, which was exiled and deposed during the French Revolution, was restored to power.
 - • France lost all the territories it had won and annexed under Napoleon.
 - • France was surrounded by new states to prevent it from aggression and expansion in future.
 - • (i) Thus, **Belgium** was added to the kingdom of **Netherlands** set up in the north.
 - (ii) In the south **Genoa** was added to **Piedmont**.
 - (iii) Austria was given the control of North Italy and new territories were added to the **Prussian Empire** in the west, including a portion of **Saxony**.
 - (iv) The only country untouched was Germany where Napoleon had set up a confederation of 39 states.
 - (v) Russia was given a part of Poland.
 - • The whole idea was to put back the old monarchies, overthrown by Napoleon, to their respective kingdoms.

The Impact of Treaty of Vienna (1815) and a New Conservatism



The rise of Napoleon, his conquests and his defeat in 1815, gave

rise to a new ideology in Europe, called **Conservatism**. There was a desire to go back to the established traditional institutions of the state and society. European governments believed that monarchy, the Church, social hierarchy, property should be preserved. They wanted to strengthen monarchy by making it more effective and strong. This they wanted to do by having a modern army, efficient bureaucracy and a dynamic economy.

The restored monarchies became despotic. They did not tolerate any opposition or criticism. They imposed censorship on newspapers, books, plays and songs which reflected the ideas of liberty and freedom popularised by the French Revolution. But the liberals continued to propagate these ideas and fought for the freedom of the press.

The result of this repression was that a number of revolts broke out in Europe after 1815. Secret societies were formed by revolutionaries to fight for liberty and freedom and oppose monarchies set up by the Vienna Congress.

One of the great leaders of the revolutionaries was **Giuseppe Mazzini**, an



Giuseppe Mazzini – one of the heroes of the Italian Unification

Italian. He relentlessly opposed monarchy. Inspired by him, secret societies were set up in Germany, France, Switzerland and Poland. Mazzini's relentless opposition to monarchy and his vision of democratic republics frightened the conservatives. Metternich called him, "the most dangerous enemy of our social order."

THE AGE OF REVOLUTIONS (1830-1848)



The 1830s were years of great economic hardship in Europe. These years saw an enormous increase in population, huge migration from rural areas to urban areas in search of employment. Peasants groaned under the burden of feudal dues and rise of food prices led to widespread pauperism. The year 1848 was one such year when food shortages and widespread unemployment brought the population of Paris out on the roads. Emperor Louis Philippe was forced to flee, and France was proclaimed a Republic.

Parallel to the revolts of the poor, unemployed, peasant, and workers, in many European countries in the year 1848, a revolution led by the educated middle classes was under way. In many parts of Europe where independent nation – states did not exist – such as Germany, Italy, Poland, the Austro-Hungarian Empire – people of the liberal middle classes combined their demands for constitutionalism with national unification.

Liberalism and nationalism,

combined together, became a great force in many regions of Europe. It brought about revolutions. For example, in Italian and German states, Ireland, Poland, Greece and provinces of the Ottoman Empire. These revolutions were led by the educated middle class comprising professors, school teachers, clerks, members of new commercial middle classes.

Greek War of Independence

The Greeks were the first to revolt against the Ottoman Turkish Empire in 1821. They were greatly impressed and influenced by the national and liberal movements spreading all over Europe. Their national sentiments found expression in **Philike Heteria** – the "Society of Friends". It was a mass movement to secure independence. The Turkish emperor perpetrated great atrocities on the Greeks when they revolted. This put the Christian countries to shame and they forced Greeks and the Turks to come to an agreement. The Greeks living in exile also supported the nationalists in Greece. Poets and artists also joined the campaign as they considered Greece to be the cradle of European Civilisation. Lord Byron, the famous English poet, even fought in the war against the Turks. He died during the war in 1824. In 1827, England, France and Russia defeated the Turks, the Egyptians and their allies in a naval battle. They signed a Treaty in London in 1827 which forced the Turks to recognise Greece as an independent state under the suzerainty of Turkey. Finally, the Treaty of Constantinople of 1832

recognised Greece as an independent nation. In January, 1833 Greece was declared a Kingdom and Prince Otto, second son of King Louis I of Bavaria, was chosen the King.



Battle of Navarino (1827) was a major defeat for the Ottoman Empire in the war for Greek independence. In this action a combined British, French, and Russian fleet defeated a Turkish and Egyptian fleet.

THE INFLUENCE OF CULTURE ON NATIONALISM



The feeling of nationalism was strengthened, developed and given encouragement by art – music, literature, drama – played a big role in it. Their contribution was equal to the heroic battles fought by heroes. The Romantics, as opposed to the Classicists, encouraged depiction of emotions, feelings and intuition. They did not believe in glorification of logic, reason and science. For them, the basis of a nation should not be wars or territorial expansion but a common cultural past, a shared heritage by all.

The Romantics, like the German philosopher Johann Gottfried Herder (1744-1803), believed that true German Culture could be discovered only among the common people – *das Volk*.

- He proclaimed that national feelings could only be strengthened by folk songs, folk dances, folk poetry.
- The Romantics also believed in the vernacular language – the language spoken by the large, illiterate population.
- Language also played a very important role in boosting nationalism.

How folk stories played an important role in spread of nationalism can be seen from the folk tales written by Grimm Brothers, **Grimm's Fairy Tales**, which is a classic and its ageless stories have been popular for generations.

The brothers became active in politics and took part in the liberal movement for the freedom of press. They believed that their work of collecting German folk tales and publishing them in German language was an effort on their part to promote the German spirit and oppose the French domination.

We can see how music, art and language helped in promoting nationalism. They made people feel proud of their own culture, heritage and build up a resistance to foreign rule.

POLAND

This can be illustrated by the struggle in **Poland** for independence.



- At the end of the 18th century Poland did not exist as an independent country. But Polish poets kept the national feelings alive through their music and language.
- Folk dances like the **polonaise** and **mazurka** became nationalist symbols.
- **Operas and music**, like the operas of **Karol Kurpinski**, kept the national spirit alive.
- After Russian Occupation the Russians imposed their language in schools and everywhere. The Russians ruthlessly curbed the armed rebellion of 1831.

In retaliation the churches started using Polish language for all religious ceremonies and for religious instruction. The use of Polish language became a



Illustration from a Polish pamphlet calling for freedom from Russian domination

weapon in the hands of the nationalists and no amount of Russian atrocities could stop them.

Results of Revolts of 1848

- The liberal movements were crushed but the old order was shaken.
- Monarchs realised that their days of absolute power were coming to an end. For survival, they had to give concessions to the nationalists.
- Reforms, which had already been adopted by Western Europe, now began to be introduced in Eastern and Central Europe. Serfdom and bonded labour was abolished in Russia and Hapsburg dominions. Hungarians were given more autonomy in 1867.



UNIFICATION OF GERMANY (1866-1871)

Germany comprised two hundred petty kingdoms, each ruled by a prince, when Napoleon arrived on the European scene. It was Napoleon who conquered them and united them into 39 states. His oppressive rule aroused national sentiments. After the downfall of Napoleon in 1815, the Congress of Vienna established a loose confederation in Germany. The ruler of each state resisted the rise of nationalism in his state.

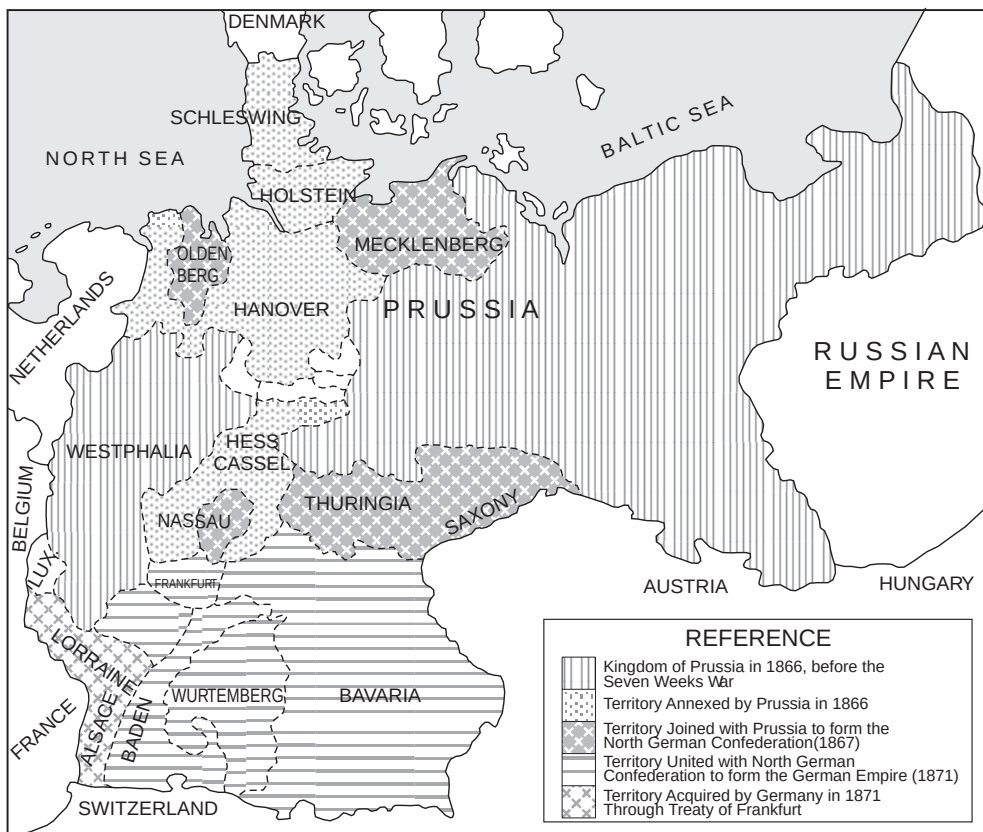
The boost to nationalism was given by university students and teachers. They held festivals (Wartburg festival) to arouse and express national feelings. This alarmed Metternich (the Austrian Chancellor), and Austria under him tried to suppress the movement.

Zollverein (Customs Union) : The Prussian Government passed many tariff reforms to convert Prussia into a Free Trade Area. All the German states, with the exception of a few states, joined the Custom Union of Prussia. This brought about an economic union of German states in 1834. This economic union was called **Zollverein** and it paved the way for political unity.

The 1848 Revolution in France had its impact on Germany too. They rose against the Austrians, held elections in the country and became a majority in

the Frankfurt Assembly. The Assembly began to draw a new Constitution for the whole of Germany and offered the crown to the Prussian King, Frederic William IV. The Prussian King rejected the offer as he did not want war with the Austrian Empire. The Frankfurt Assembly failed to achieve anything and the national movement was suppressed. Austria remained supreme till 1861.

Three wars over seven years – with Austria, Denmark and France – ended in Prussian victory and completed the process of German unification in January, 1871.



German Unification – 1866-1871

UNIFICATION OF ITALY (1859-1870)



Italy, the home of Renaissance, was a divided country; it had numerous kingdoms under different Dukes. It was dominated by big powers like Austria, Spain and France. When Napoleon conquered Italy, the Italians began to regard him as a liberator. But his oppression soon made Napoleon a hated figure. After the downfall of Napoleon, Italy was again divided. (i) The Pope received his papal states, (ii) The King of Sardinia got back his kingdom of Piedmont and the island of Sardinia. (iii) The Spanish King recovered the kingdom of Naples and Sicily. Austria annexed Lombardy and Venetia to her empire. Only two rulers were Italians out of all the new rulers. Austria dominated all the rulers of Italian Peninsula.

In the early stages of unification the feeling of nationalism was missing among the Italians. The first movement for freedom from foreign rule was started by the “Carbonari Society.” It was a secret society formed mainly by charcoal burners and hence it became famous as Carbonari Society. Prince Metternich of Austria suppressed their first two revolts (in 1821 and 1830) ruthlessly.

The difficult task of unification was taken up by three famous Italians.

The most famous of Italian nationalistic leaders were

- (i) Count Camilo Cavour (The Brain)
- (ii) Giuseppe Garibaldi (The Sword)

(iii) Giuseppe Mazzini (The Soul).

Count Cavour was considered the “Brain”. He was a diplomat and statesman. **Giuseppe Garibaldi** was considered the “Sword”, a brave soldier (**Cunv** – patriot). He forced Italy into a cohesive political unit.



Giuseppe Garibaldi (1807–1882) played a leading role in Italian unification

Giuseppe Mazzini – The Soul

He was considered the ‘Soul’ of nationalism. He established a secret society known as “Young Italy” and was totally devoted to a united Italy. Mazzini (1807-1872) was born in Genoa which was under the control of Piedmont. From the beginning he was a staunch patriot and gave up everything to fight for his country’s liberation. At a very young age, he became a member of the secret society of the Carbonari. He was arrested and exiled in 1831 for attempting a revolution in Liguria. After his release from prison he founded two underground societies — first ‘Young Italy’ and then ‘Young Europe’.

The “Young Italy” movement was started to arouse the whole of Italy to a greater unity and to fight for independence. By 1833, the movement



Italy before Unification (1848)

1848 Revolution: In

1848 there were revolutions all over Europe and they were all directed against tyrannical rulers. In many parts of Italy people demanded reforms. The rulers of Italian states were forced to grant constitutional reforms. Mazzini succeeded in establishing a republic at Rome. The ruler of Sardinia-Piedmont, King Charles Albert, fought against the Austrians to liberate Italy, but he was defeated in the Battle of Custoza. He was defeated again in the second battle and he abdicated. His son, King Victor Emmanuel II made peace with Austria,

had 60,000 supporters, with local committees in all the main Italian towns. Mazzini firmly believed that young men of Italy could easily achieve freedom for their motherland. He declared that the need of the hour was self-sacrifice. He created confidence among the Italians that they could fight and achieve independence. His motto was, “God and the people” and his method was educating the public through literary propaganda and agitations.

Mazzini believed that God had intended nations to be the natural units of mankind. So Italy could not continue to be a patchwork of small states and kingdoms. It had to be forged into a single unified republic. The unification alone could be the basis of Italian liberty.

which started dominating Italy again.

The failure of the 1848 revolution made Mazzini go into exile in Britain. But he continued to direct the national movement from there, through secret correspondence. The Pope and his power was restored in Rome with the help of France. But the Italians were determined

Italy, 1859 – 1870

- **1859** : Kingdom of Piedmont and Sardinia gain Lombardy from the Austrian Empire.
- **1860** : Parma, Modena and Tuscany join it.
Garibaldi conquers Sicily and Naples.
Cavour annexes all the remaining Central States except Rome.

to achieve independence and King Victor was ready to support them.

- **1861** : Only Venitia and Papal city of Rome outside the union.
- **1866** : Venitia included
- **1867** : Garibaldi leads an army of volunteers to Rome to fight the Papal States
- **1870** : Rome also won over
- **1870** : Italy's political unification complete.

Cavour (1810-1861)

King Victor Emmanuel II had a great leader Cavour to work for him. Cavour belonged to an aristocratic family in Sardinia.



Cavour

As the editor of a famous newspaper, Cavour encouraged the king to fight for liberation of Italy. He became an elected member of the Italian Assembly and impressed the king with his abilities. Cavour was made the Prime Minister in 1852. Cavour realised that Piedmont and Sardinia were too small powers to fight the mighty Austrian empire. He decided that first his country should make great progress by rapid industrialisation and modern agriculture. It could indulge

in war only if a foreign power helped. So Cavour followed a policy of free trade, established a network of canals, established 'a free church in a free state.'

In 1855 he decided to take part in the Crimean War on the side of Britain, France and Turkey against Russia. After the defeat of Russia in 1856, Cavour appealed to France and Britain to support the unification of Italy. The French Emperor, Napoleon III, agreed to help Italy against Austria. In 1859, Cavour provoked a war against Austria. King Napoleon sent troops to help Sardinia-Piedmont, and they defeated Austrian forces. But suddenly, in the middle of the war, the French withdrew their support. For some unknown reason Napoleon signed a treaty with Austria. According to this treaty Lombardy was given to Sardinia – Piedmont. Cavour was disappointed.

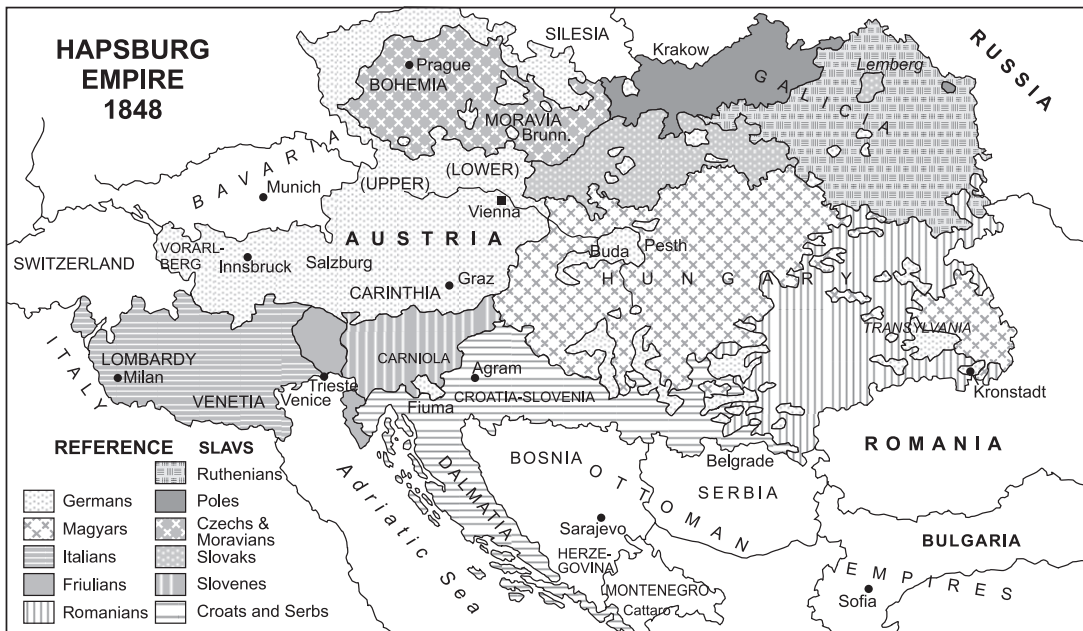
The process of unification of Italy was finally completed in 1870.

MOVEMENT IN HUNGARY

Hungary : The Austrian Empire had subjects belonging to various races and speaking different languages. The new Austrian Emperor, Francis Joseph had to face the revolt of Hungary in 1848 under Kossuth, who declared his country as independent, but when Hungary started treating its Slav population badly, the Austrians suppressed its newly won independence in 1849.

But by 1860 Austrians realised they could not hold on to Hungary under their iron rule. They drew up a charter and restored it to its 1848 position. The





Habsburg Empire 1848

Hungarians got their Diet (Parliament) back and gave autonomy to its town and cities. The Hungarians were not satisfied by this arrangement and the stalemate continued till 1866. The defeat of Austria by Prussians forced Austria to compromise with the Hungarians. In 1867

- Austria–Hungary had a common ruler King Frances Joseph – Dual Monarchy.
- Both states were considered equal.
- They had two separate Parliaments and a joint ministry for 3 important departments – finance, war and foreign affairs.

The Austro – Hungarian Dual Monarchy disturbed the political balance of this region. It gave the administration of Slavs to them and Serbia wanted to unite all Slavs under their leadership (Bosnia, Herzegovina etc). Thus this

union was doomed. It led to a break-up into a number of small Balkan states. It also, eventually, led to World War I, when the Austrian Crown Prince and his wife were assassinated in Sarajevo by a Serb.

PORTRAYAL OF A NATION

*How the female form became an **allegory** of a nation.*



In the 18th and 19th centuries a nation was portrayed as a **female figure**. They did not portray any particular woman but gave the **abstract** idea of a nation a **concrete** form.

1. France : They portrayed the French Nation as a woman named **Marianne** with a red cap, the tricolour and the cockade – all symbols of liberty to promote unity and to make

this allegorical representation a symbol of the nation. Marianne (a popular Christian name) appeared on coins and stamps also.



Courtesy : NCERT

Postage stamp of **Marianne** representing Republic of France (1850)

2. Germany : Germania became the allegory of the German nation. She wore a crown of Oak leaves – German Oak stands for heroism. Artist was **Phillip Veit** who prepared this painting for the **1848** Frankfurt Parliament.

Another portrait of Germania was painted in 1860 by artist Lorenz Clasen. Germania is up and alert, with a sword in her hand, guarding the Rhine! This change had come under the leadership

of Otto von Bismarck who brought glory back to Germany and unified the Germans.



Courtesy : NCERT

Germania, Philip Veit, 1848



Courtesy : NCERT

Germania guarding the Rhine

Timeline

- **1815** : Fall of Napoleon, the Vienna Peace Settlement.
- **1821** : Greek struggle for independence begins.
- **1848** : Revolutions in Europe.
- **1859-1870** : Unification of Italy.
- **1866-1871** : Unification of Germany.
- **1905** : Slav nationalism gathers force.
- **1914-1918** : The First World War.

POINTS TO REMEMBER

- Nationalism became a major force in the nineteenth century and brought about dramatic changes in Europe.
- Politically, liberalism stood for (i) a constitution (ii) a representative government (iii) a parliamentary system (iv) ownership of private property and (v) end of privileges of the aristocracy. Economically liberalism stood for freedom of markets, free movement of good and capital, etc.
- The Congress of Vienna was held in 1815 and was hosted by Austrian Chancellor Duke Metternich. The aim was to restore the old monarchies overthrown by Napoleon.
- Metternich called Mazzini “the most dangerous enemy of our social order.”
- The Treaty of Constantinople, 1832 recognised Greece as an independent nation.
- The process of German unification was completed in 1871.
- Count Cavour, Garibaldi and Mazzini were called ‘the brain, ‘the sword’ and ‘the soul’ of Italian unification.
- The process of Italian unification was completed by 1870.
- Germania was the allegory of German nation and Marianne, that of French nation.

IMPORTANT TERMS

- o **plebiscite** : A direct vote by which all the people of a region accept or reject a proposal.
- o **ideology** : System of ideas reflecting a particular social or political vision.
- o **mobilise** : To assemble troops in readiness for active service.
- o **allegiance** : Loyalty of a subject to his sovereign, his rulers or his country.
- o **chauvinistic** : Exaggerated patriotism.
- o **Ottoman Empire** : The Turkish Empire.
- o **perpetrated** : To perform (something bad), inflicted.
- o **Carbonari Society** : A secret society formed by charcoal burners mainly in Italy.
- o **Vatican** : The city where Pope rules.
- o **ethnic** : Where people have a common racial, tribal or cultural origin or background.
- o **allegory** : When an abstract idea (like Liberty, justice, greed etc) is expressed through a person or a thing.

EXERCISES

I. Multiple Choice Questions

1. Nationalism brought about in Europe the emergence of :
 - (a) The Nation States
 - (b) The Modern States
 - (c) Multi-National Dynastic States
 - (d) Alliances formed among many European States.
2. The term ‘Plebiscite’ means :
 - (a) Adult Franchise
 - (b) A direct vote by which all the people of a region are asked to accept or reject a proposal
 - (c) When the rich and the aristocrats select their leaders
 - (d) A vote by the people to elect their leader



3. Socially and politically dominant class in Europe during the mid-eighteenth century was

- | | |
|------------------|----------------------------|
| (a) The Nobility | (b) The landed aristocracy |
| (c) The Church | (d) The absolute monarchs |

4. Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below :

Assertion (A) : The Renaissance and Reformation proved to be edifice for the rise of nationalism.

Reason (R) : These developments led to rise of humanism, breaking away from Catholic Church and rise of strong dynasties and kingdoms.

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is true but Reason (R) is false.
- (d) Assertion (A) is false but Reason (R) is true.

5. Which of the following statements about the given personality is incorrect?

Statement I : He was considered the sword of Italian unification.

Statement II : He conquered Sicily and Naples.

Statement III : He established a secret society called 'Young Italy'.

Statement IV : He was considered the soul of nationalism.

- | | |
|----------------|-------------|
| (a) I, II, III | (b) I, II |
| (c) I, III | (d) III, IV |



II. Very Short Answer Questions

1. What does the word 'liberalism' mean?
2. What was Zollverein?
3. Who was considered by Italians as the 'brain'?



III. Short Answer Questions

1. What were the names given to the two allegorical representations of France and Germany?
2. Who was considered the soul of Italian unification? Why?



IV. Long Answer Questions

1. How did Greece become a nation state?
2. Describe the events that led to "Dual Monarchy" in Hungary. What were its consequences?
3. Explain liberalism in political and economic fields prevailing in Europe in the 19th century.
4. "Culture played an important role in creating the idea of the nation in Europe." Support the statement with examples.





I. PROJECT

- Topic covered** : The Emergence of Nationalism as a force in the 19th century and its main consequence.
- Objective** : To create awareness of how and why nationalism became a force and led to the birth of Nation-States.

II. ACTIVITIES

- I. Let each student take a map of (i) Germany and (ii) Italy, and show
 1. Germany before Unification.
 2. Germany after Unification.
 3. Number of states in Italy before unification (mention under whose rule)
 4. Italy after unification (Give dates of the states who joined after unification).

CASE-BASED QUESTIONS



Read the given extract and answer the following questions.

Rise of Nationalism

Nationalism is a spirit in which the highest loyalty of a person is dedicated to his state. Balanced nationalism is conducive to national growth whereas violent nationalism may lead to wars. American War of Independence is the best expression of the spirit of nationalism and desire for freedom. French Revolution spread the spirit of nationalism all over Europe.

The spirit of nationalism had gripped many peoples after the Napoleonic wars. The fire of nationalism was smouldering in Germany, Poland, Italy, Hungary and the Balkan states. People craved for personal freedom and self-rule. Thus the wave of nationalism and liberalism was rising everywhere but there were people like Metternich who did their best to obstruct it. The spirit of nationalism and liberalism was given no place in the reconstruction of Europe after the Congress of Vienna which aimed at reviving the old order.

Liberalism and democracy promoted the spirit of nationalism. Generally, liberalism means restrained liberty and equality. Liberalism aimed at redeeming the majority of fields from control. It wanted to ascertain individual freedom of speech, writing, organisation of assembly and security of personal property. It also wanted to establish the constitutional government and duly elected legislatures. It was interested in extending the franchise but with certain reservations. Liberals were in favour of minimum governmental interference. They held that the government should only maintain law and order. Liberals favoured *laissez-faire*. They opposed religious interference in the government administration. The aristocrats, the clergy and military officers were the main opponents of liberalism. Liberalism first of all, spread in those countries of western Europe which were in strong grip of Industrial Revolution.

1. What is nationalism?
2. What was the aim of the Congress of Vienna? Did it succeed in its attempt?
3. How did liberalism and democracy promote the spirit of nationalism? Explain.
4. Describe the views of the Liberals.

2

The Nationalist Movement in Indochina

This chapter will explain how Indochina, one of the important states of the peninsula, fought against colonialism and gained independence. It became an independent country before India, in 1945, but it had to fight fiercely for nearly 30 years to achieve this.

FRENCH COLONIAL DOMINATION OF INDOCHINA



French interests in Indochina began in the early seventeenth century when French priests arrived as a part of Portuguese Jesuit Mission. The earliest Vietnamese reaction was to resist foreign interests, religion and commerce. The major French intervention came in the mid-nineteenth century. The French landed in Indochina in 1858. In a war that they fought against China in 1880s they had acquired Cochinchina, Tonkin and Annam. In 1887, French Indochina was born. The French Indochina consisted of Four Protectorates – Laos, Cambodia and two parts of Vietnam – Tonkin and Annam.

French Motives in Colonisation

- The French, like other imperialistic nations, considered colonisation necessary. Why?
 - (i) The colonies provided raw materials, cheap labour and ended their search for a market.
 - (ii) They fulfilled the desire for glory, prestige and manpower.
 - (iii) They also helped the French in implanting Roman Catholicism and French culture in the colonies.
- The motives were clear – (i) economic domination, (ii) military control and (iii) imposition of French culture.
- **The colonies had to serve the interests of the mother country.**
 - The colonies were acquired with the sole purpose of making profits. For this reason the **economy of the colonies** had to be developed too. If the economy of the colonies developed, they would have a better standard of living and they would be able to buy more goods, thus leading to the French making more and more profit.

How did the French help in developing the Economy of its colony in Indochina?

1. The French built canals and drained lands in the Mekong delta to increase cultivation.
2. The vast system of irrigation works increased rice production and export of rice to other countries began.
3. By 1931, Vietnam exported two-thirds of its rice production and had become the third largest exporter of rice in the world.



Indochina

4. To help the rice cultivation, infrastructure in transport was improved.

- Rail network was built by construction of the trans-Indochina railways, which joined North Vietnam to South Vietnam and China. The final link with Yunan in China was completed by 1910.
- Another railway link was built between Vietnam and Siam (new name, Thailand) via the Cambodian capital of Phnom Penh.

How was this infrastructure built?

- It was built mainly by forced labour of local workers.
- Indentured Vietnamese labour was widely used.
- Besides rice cultivation, rubber plantations were also improved by forced indentured labour.
- The rice cultivation and rubber plantations were owned by the French and a few rich Vietnamese. Rail and port services were set up

to help the economy but it only profited the colonial rulers.

Resistance to colonial domination

Very soon the people of Vietnam woke up to the fact of how they were being exploited. Different sections of society joined hands to fight colonialism. The French had to face resistance right from 1887 till 1954.

COLONIAL EDUCATION

- Like the British in India, the French also wanted to 'civilise' the colony of Vietnam.
- Beside economic domination, they also wanted to modernise the Vietnamese civilisation. It was, of course, based on the belief that their civilisation was more advanced.
- It did not matter at all if in the name of 'modern civilisation' they destroyed local culture, religions and traditions. They were of no importance as they were a hindrance to modern development, outdated and of no use.

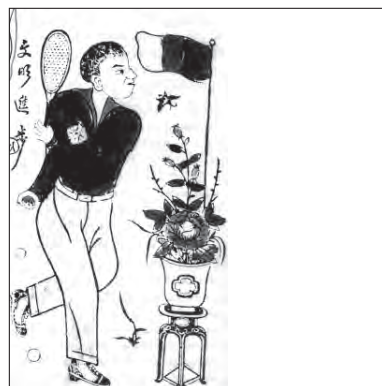
Educating the Vietnamese created a problem for the French :

How far could they go to educate the Vietnamese?

1. An educated labour force may challenge their authority. Educated Vietnamese may begin to question their domination and begin struggle for freedom.
2. It would also lead to French citizens in Vietnam to lose

their jobs – as teachers, shopkeepers and policemen. Educated Vietnamese would claim these jobs.

So the problem was: how far could the Vietnamese be educated?



A cartoon ridiculing the Vietnamese who has been westernised.

Which Language?

- Like the British in India, the French had to decide which language was to be used in schools: French or Vietnamese?
- The rich and the powerful Vietnamese were influenced by the Chinese culture, and the French had to destroy this influence. To achieve this, they totally and systematically destroyed the traditional education system and established their own schools. Two suggestions were offered to solve this problem.

Suggestion 1 : Some people suggested that the medium of instruction should be French. This would make the Vietnamese familiar with French culture and French civilisation. They would

understand how superior the French culture was. It would also create an 'Asiatic France' in Vietnam to support the 'European France'. The educated Vietnamese would support and work for France.

Suggestion 2 : A second group did not agree with the ideas given above. They wanted Vietnamese to continue in lower classes. French should be taught in higher classes and those who became proficient in the language and followed French culture would be rewarded. They would be given French citizenship.

- The French claimed in the textbooks that colonial rule was good for Vietnam. The Vietnamese, according to the French, were backward, fit only for manual labour and not intellectual work. They were incapable of ruling themselves and could work only in the fields. The French textbooks boasted that they had brought peace and order in Vietnam. People could live in peace, specially peasants, under French rule. In short, the French culture and rule was essential to civilise the Vietnamese.

Reaction of the Vietnamese in Schools

Teachers and students in lower schools quietly defied all the instructions given in the higher classes. They followed their own curriculum and criticised the French textbooks.

One example of defiance was the Saigon Native Girls School. In 1926,

Did You Know?

Very few Vietnamese could study in the French language schools. Only the elite (rich) could afford them and they were a very small section of the population. Very few were allowed to pass the High School exam. Most were deliberately failed so that they could not demand better-paid jobs. Two-thirds of the students were failed every year. Out of a population of 17 million only 400 students passed the exam in 1925!

a native girl was asked to give up her seat in the front row to a local French student. She refused. The Principal, a Frenchman, expelled the girl. When other students supported her, they were expelled too. The conflict became worse and in the end the government had to intervene. The Principal was forced to take the students back.

The Principal was unrepentant and warned the students that he would "crush all Vietnamese." He also threatened that he would leave Vietnam only when "there were no Vietnamese left in CochinChina."

Students protested against the colonial government not giving them higher paid jobs. They formed parties to fight for their rights. One such party was formed in 1920, called the **Party of Young Annam**. Journals supporting nationalism were published, for example *Annamese Student*.

Did You Know?

Tonkin Free School, which was started in 1907, claimed to turn students into “Modern” students. To be modern, the students had to follow French fashions in clothes, hair styles etc. Learning Western ideas was not enough.

RELIGION AND ANTI-COLONIALISM

Religion also created conflict between the colonial rulers and the nationalists in Vietnam. The Vietnamese followed Buddhism and Confucianism. Confucius, a Chinese thinker, (551-479 BCE) preached good conduct, proper social behaviour, respect for parents and obedience of elders. His philosophy was that the rulers had to act like fathers towards their subjects, who should be treated as their children.

The French missionaries introduced Christianity and they preached against some of the practices followed by the Vietnamese. They wanted to correct the Vietnamese belief in the supernatural.

A Scholars Revolt broke out in 1868, against the spread of Christianity, initiated by officials of the Royal Court. Over a thousand Catholics were killed in the provinces of Ngu An and Ha Tien. The Catholic missionaries had, by the middle of the 18th century, converted 300,000 people. The French Government crushed the revolt ruthlessly but the uprising inspired nationalists even after it was



suppressed. Some religious movements in Vietnam supported the French, but others preached against the colonial rule.

The Hoa Hao Movement

It was a movement which began in 1939, in the Mekong delta region. The founder was **Huynh Phu So**. He helped the poor, performed miracles, preached against gambling, drinking and opium smoking and sale of child brides.

The French tried to suppress the movement, declared him mad and sent him to a mental asylum. It is ironical that the doctor in the asylum became Phu So's follower instead of declaring him insane! In 1941, the French had to release Huynh Phu So, but they exiled him to Laos. Many of his followers were sent to concentration camps. So religion also played a major role in arousing anti-colonial feelings in Vietnam.

WHAT IS MODERNISATION?



The people of Vietnam had to decide how they could become “modern”.

1. Did being modern mean discarding tradition, their own culture and language? Did it mean rejecting all of their previous ideas and social practices? Did being modern mean copying the west in every way?
2. Some of the intellectuals believed that to resist the domination of the west, Vietnamese traditions had to be strengthened.

This debate could not be resolved easily.

The opposition to French domination was provided by Confucian scholars. One such leader and nationalist was **Phan Boi Chau** (1867-1940).



Phan Boi Chau

Phan Chu Trinh

He was a scholar from Ngu An Province, trained in Confucian tradition under his father. In 1885, Phan Boi Chau observed the actions of French troops in crushing the scholar-gentry resistance to the colonial overlords. In 1903, he formed a Revolutionary Society (Duy Tan Hoi), with Prince Cuong De as the head. He wanted to associate the members of Nguyen ruling family sympathetic to the nationalist cause, who would serve as a titular head of the independence movement.

From 1905 to 1908 he lived in Japan. There he met the Japanese and Chinese revolutionaries. He met the Chinese reformer Liang Qichao (1873-1929) in Yokohama in 1905. Phan wrote his famous book, **The History of the Loss of Vietnam** under the advice and influence of Liang Qichao.

The book was a lament on the double loss suffered by Vietnam due

to colonisation! (i) loss of sovereignty and (ii) cutting of ties with China, ties which bound the two countries with a shared culture.

In 1906, Phan met another great Vietnamese nationalist leader of this time, **Phan Chu Trinh** (1871-1926), in Tokyo. After two weeks of discussions, they found their ideas could not be reconciled.

Influence of Japan and China

In 1907 Phan Boi Chau organised a society of 100 or so Vietnamese students in Japan. It was an important society which made the students think of themselves as Vietnamese and not as Cochinchinese, Annamese or Tonkinese, as the French called them. The primary objective was to drive out the French from Vietnam and re-establish the Nguyen dynasty that had been ousted by France. They were impressed by Japan which had become “modern” and even defeated the mighty Russia in 1904. The Vietnamese students established

Views of the two leaders

Phan Chu Trinh wanted to abolish the monarchy in order to create a base for a strong national sovereignty.

- (i) He wanted to establish a **democratic republic**.
- (ii) **Phan Boi Chau**, on the other hand favoured retaining monarchy as a popular ideological symbol.

- (iii) Phan Chu Trinh was greatly influenced by the writings of French philosophers like Rousseau and Montesquieu and did not want total rejection of western civilisation. He wanted to establish a western democratic structure through **peaceful reform**. He wanted the French to **develop agriculture** and set up **legal and educational institutions**.
- (iv) **Phan Boi Chau** wanted to drive out the French immediately through **armed resistance** and restore Vietnamese independence.

a branch of “Restoration Society” in Tokyo. But in 1908 the Japanese forced Phan Boi Chau to leave Japan and he was deported to China. Many students were exiled to Thailand.

In exile in Guangzhou, Phan Boi Chau was influenced by the Chinese Revolution led by Sun Yat Sen in 1911. The Chinese monarchy was overthrown and a Republic was set up. Inspired by these events, Phan Boi Chau set up an “Association of the Restoration of Vietnam” – **Vietnam Quan Phuc Hoi**. Now Phan’s objectives changed. His anti-French independence movement demanded expulsion of the French, independence for Vietnam and establishment of a “**Vietnamese Democratic Republic**”.

In 1914, Phan Boi Chau was arrested by the Chinese at the insistence of the French. In 1917 Chau was released and spent the next eight years in exile. He could not exert direct influence on the Vietnamese national movement. In 1925, he was kidnapped by the French in Shanghai, taken to Hanoi and sentenced to hard labour for life. He died on 19 October, 1940, still under house arrest.

A NEW PHASE : THE COMMUNIST MOVEMENT AND VIETNAMESE NATIONALISM



The final phase in the struggle against French colonialism took place under the leadership of **Nguyen Van Thanh** or **HO CHI MINH**. Vietnam was greatly affected by the Great Depression of the 1930s. As the price of rubber and rice fell, there was tremendous increase in unemployment and in many provinces, the rural people rose in revolt. The French were ruthless in crushing these uprisings, specially in the provinces of Ngu An and Ha Tinh.

Ho Chi Minh

His name means “He who Enlightens”. He soon became one of the most influential political leaders of the 20th century. After his travels to China and Moscow he founded the Communist Party of Indochina in East Asia. He established a training institute where he taught Vietnamese students, a unique blend of **Marxism-Leninism** and **Confucian**

virtues. In the 1930s he lived mostly in China and Moscow. After the outbreak of World War II he finally returned to Vietnam. He organised the League for Independence of Vietnam (The Vietminh) and raised a guerrilla army to fight the Japanese.

In 1930, Ho Chi Minh established the Vietnamese Communist Party (Vietnam Cong San Dang). It was later called the Indochinese Communist Party.

THE SECOND WORLD WAR AND THE LIBERATION STRUGGLE



In September 1940, the Japanese forced the French to permit her to use Indochina as a base for her military operations. In 1944, the American forces, with the help of the Chinese, forced the Japanese to retreat. Japan decided to keep control of Indochina in 1945, but was forced to surrender when Hiroshima and Nagasaki were destroyed by the Atom Bombs in August 1945. France regained her colony of Indochina.

During the war, the Vietnamese nationalists had to fight both France as well as the Japanese. The Vietminh or League for the Independence of Vietnam fought the Japanese occupation and recaptured Hanoi in September 1945.

War with France

After the Second World War, the French had to face the Vietminh, under the French educated Ho Chi Minh. Ho Chi Minh was supported by America against the Japanese during the war. Secondly, the Vietminh were inspired

by the success of the Japanese in the war. Their leader, Ho Chi Minh, started a national movement to liberate the areas held by France. In 1945 he toppled the French controlled puppet government in Annam, under Bao Dai. In September 1945, Ho Chi Minh proclaimed an independent Republic of Vietnam. He later agreed that it would be an autonomous state under the French Union. However, soon differences with the French led to a long battle between the French and the forces of Vietminh in 1946. The Vietminh won a decisive victory at **Dien Bien Phu** in 1954, as the war proved too expensive for the French.

The Geneva Conference

- The Geneva Conference in 1954 divided Vietnam at the 17th parallel. Ho Chi Minh became the first President of the independent Republic of North Vietnam. South Vietnam was placed under the Bao Dai government.
- The accord also provided for elections to be held in 1956, aimed at reuniting North and South Vietnam.
- France set up independent monarchies in Cambodia and Laos whose territorial integrity was to be respected by all.

The Geneva Conference led to the end of French claim to any territory in the Indochinese peninsula. The events of 1954 ended French colonial rule but led to the beginning of serious involvement of USA in

South Vietnam, which led to the Vietnam war.

The division of the country plunged it into a long drawn civil war. The Bao Dai government was overthrown by a coup led by **Ngo Dinh Diem**. Diem was a dictator and he imprisoned or killed anyone who opposed him. His opponents were branded as communists. He kept the French law which banned Buddhism and promoted Christianity. His dictatorial rule was opposed by the National Liberation Front (NLF).

THE HO CHI MINH TRAIL

How did the Vietnamese survive and win the war against the mighty USA? For that you have to understand the role of **Ho Chi Minh Trail**.

The trail shows how the Vietnamese used their resources, very limited compared to the USA. The trail was a network of footpaths and roads which transported men and materials from the North to the South. The trail improved every year and from 1950 till 1967, about 20,000 North Vietnamese troops came south every month.

Did You Know?

In spite of military superiority, advanced technology, and access to continuous medical supply, the US lost 47,244 soldiers and 303,704 were wounded in Vietnam. Out of the wounded, nearly 23,014 were 100 per cent disabled.

The trail had hospitals and support bases all along the route. The supplies were carried by trucks and bicycles. The major supplies, however, were carried by porters who were mainly women. The women could carry 25 kilos on their backs and 70 kilos on their bicycles.

The trail moved through Laos and Cambodia (see map). Its branches led to South Vietnam. The US bombing failed to destroy this trail because they were rebuilt very quickly by the Vietnamese.



Map of Ho Chi Minh Trail, 1967

THE END OF THE WAR

In 1967, **President Johnson** offered to stop



bombing if North Vietnam agreed to peace talks. **Ho** replied to him in the following manner in an interview with two US journalists :-



Carrying loads on bicycles

“You must know of our resolution. Not even your nuclear weapons would force us to surrender after so long and violent a struggle for independence.”

The Tet offensive of 1968 (January) was the communist reply to the peace offers of the US. They attacked five major cities, aiming to start an uprising among the South Vietnamese. They penetrated Saigon, attacked the presidential palace, radio station, air field and US Embassy. Their suicide squads shook the US forces and President Johnson called for peace talks and halted the bombing. But the

peace talks failed in **1969**. The National Liberation Front (NLF) founded the Provisional Revolutionary Government of the Republic of South Vietnam (PRG) which was immediately recognised by the North Vietnamese Government (DRV : Democratic Republic of Vietnam or North Vietnam).



Hanoi, bombed in 1972

In 1972 President Nixon ordered night time bombing on Hanoi and Haiphong. For 11 days in December 1972, 129 B52 bombers dropped 40,000 tons of ordnance. The Vietnamese asked for peace.

In January 1974, a peace settlement was signed in Paris. This ended the war with the US.

The communists continued to attack South Vietnam and captured Saigon on 30 April, 1975.

On **2nd July, 1976** Vietnam was reunified as the Socialist Republic of Vietnam. Saigon was renamed HO CHI MINH City.

Timeline

- **1867** : Cochinchina (the South) becomes a French colony.
- **1887** : Creation of Indochina Union comprising Cochinchina, Annam, Tonkin, Cambodia and Laos.

- **1930** : Ho Chi Minh forms the Vietnamese Communist Party.
- **1945** : Vietminh starts a general popular insurrection, Bao Dai abdicates, Ho Chi Minh declares independence in Hanoi (September 23).
- **1954** : The French army is defeated at Dien Bien Phu.
- **1961** : Kennedy decides to increase US military aid to South Vietnam.
- **1974** : Paris Peace Treaty.
- **1975 (April 30)** : NLF troops enter Saigon.
- **1976** : The Socialist Republic of Vietnam is proclaimed.

POINTS TO REMEMBER

- The French landed in Indochina in 1858.
- In 1887, French Indochina was born.
- The French faced resistance from the Vietnamese people from 1887 till 1954.
- Tonkin Free School was started in 1907.
- In 1926, a major protest erupted in Saigon Native Girls School.
- A Scholars Revolt broke out in 1868 against the spread of Christianity.
- The Hoa Hao Movement began in 1939. The founder leader was Huynh Phu So.
- In 1930, Ho Chi Minh set up the Vietnamese Communist Party.
- The Ho Chi Minh Trail proved decisive in the fight against US troops.
- The Vietminh won a decisive victory in 1954 at Dien Bien Phu.
- In January 1974, a peace treaty was signed in Paris which ended the war with the US.

IMPORTANT TERMS

- **Duy Ton Hoi** : Reformation Society
- **Ho Chi Minh** : One Who Enlightens
- **Vietminh** : The resistance army of Ho Chi Minh
- **Viet Cong** : Soldiers of the resistance group in South Vietnam
- **RVN** : Republic of Vietnam (South Vietnam)
- **DRV** : Democratic Republic of Vietnam (North Vietnam)
- **PRG** : The Provisional Revolutionary Government of South Vietnam.
- **defoliants** : Chemicals that cause trees, shrubs and other plants to shed their leaves permanently.
- **NLF** : National Liberation Front.
- **Quan Phuc Hoi** : Association for Restoration of Vietnam.

EXERCISES

I. Multiple Choice Questions

- Indochina comprises
 - India and China
 - North and South Vietnam and China
 - India, China and Vietnam
 - The modern countries of Vietnam, Laos and Cambodia
- The French landed in Vietnam in the year :
 - 1857
 - 1856
 - 1858
 - 1859
- Consider the statements given below and choose the correct answer.

Statement I : The Hoa Hao Movement began in 1939, in Mekong delta region.

Statement II : The movement was founded by Huynh Phu So.

- Statement I is correct and II is incorrect
 - Statement I is incorrect and II is correct
 - Both Statements I and II are incorrect
 - Both statements (I) and (II) are correct.
- What was the theme of the given picture?
 - To ridicule the French who followed the Vietnamese culture.
 - To ridicule the Vietnamese who had been westernised.
 - To ridicule the Vietnamese who played tennis.
 - To ridicule the French who played tennis.



II. Very Short Answer Questions

- When did Cochin China become a French colony?
- Who was the founder of the Hoa Hao Movement?

III. Short Answer Questions

- Give two reasons why the French considered it necessary to colonise Indochina.
- When was the Tonkin Free School started? What was its main objective?
- What was the main difference in the ideas of Phan Boi Chau and Phan Chu Trinh?

[HOTS]

IV. Long Answer Questions

- What actions did France take to consolidate her position in Indochina?
- "The schools became an important place for political and cultural battles in Vietnam against French colonialism." Support the statement with examples
- Describe the events which led to the final exit of the French from Indochina.

THINGS TO DO

I. PROJECT

- Topic** : Colonial domination by France and the Vietnamese struggle against it.
- Objectives** : To create awareness that struggle for freedom meant suffering revolt, even war. To make learners understand that freedom was always better than any colonial rule.

II. DEBATE

Have a class debate on “Colonial rulers can never rule against the will of the colonised, however mighty they might be.”

CASE-BASED QUESTIONS



Read the given extract and answer the following questions.

Teachers and students did not blindly follow the curriculum. Sometimes there was open opposition, at other times there was silent resistance. As the numbers of Vietnamese teachers increased in the lower classes, it became difficult to control what was actually taught. While teaching, Vietnamese teachers quietly modified the text and criticised what was stated.

In 1926 a major protest erupted in the Saigon Native Girls School. A Vietnamese girl sitting in one of the front seats was asked to move to the back of the class and allow a local French student to occupy the front bench. She refused. The principal, also a colon (French people in the colonies), expelled her. When angry students protested, they too were expelled, leading to a further spread of open protests. Seeing the situation getting out of control, the government forced the school to take the students back. The principal reluctantly agreed but warned the students, ‘I will crush all Vietnamese under my feet. Ah! You wish my deportation. Know well that I will leave only after I am assured Vietnamese no longer inhabit Cochinchina’.

Elsewhere, students fought against the colonial government's efforts to prevent the Vietnamese from qualifying for white-collar jobs. They were inspired by patriotic feelings and the conviction that it was the duty of the educated to fight for the benefit of society. This brought them into conflict with the French as well as the traditional elite, since both saw their positions threatened. By the 1920s, students were forming various political parties, such as the Party of Young Annam, and publishing nationalist journals such as the Annamese Student.

Schools thus became an important place for political and cultural battles.

1. ‘Teachers and students did not blindly follow the curriculum? How and why?’
2. What happened at Saigon Native Girls School? What were the consequences?
3. How did schools become an important place for political and cultural battles?
4. “The battle against French colonial education became part of the larger battle against colonialism and for independence.” Comment.

In India, as in Indochina, people discovered unity in fighting the colonial oppressors. People, belonging to different groups and classes came together to fight a common enemy. It was not easy to do so, each had different ideas, each had suffered in different ways under oppression. It took a long time for people to come together. Gandhiji was successful in bringing various groups under one banner.

THE FIRST WORLD WAR, KHILAFAT AND NON-COOPERATION



The First World War was a turning point in the history of Indian National Movement. First of all the war had created economic problems for the people of India. The people of India had suffered under the burden of a war fought by the British against their enemies. India had financed the war expenditure by paying increased taxes, custom duties and a higher income tax. There was an alarming rise in prices between 1914 and 1918, which made the common people suffer great hardships. People, especially in rural areas, were forced to enter the armed forces. Famines in 1918-19 and 1920-21 had added to the misery of the people as there was an acute shortage of food. Epidemics followed in the

wake of famines and, it was reported by the Census of 1921, more than 13 million people died due to famines and epidemics.

Politically, the First World War gave a big shock to imperialism in India. It aroused a desire for freedom in Indians and the new generation of nationalists began looking for new ways to overthrow the British Rule.

Gandhiji and Satyagraha

At this stage, a new leader emerged on the Indian national scene: Mohandas Karamchand Gandhi. He had already made a name for himself in South Africa, in his struggle against the racist government of South Africa. He had chosen a novel method of mass agitation which he called 'Satyagraha'. On his return to India in 1915, he used the same weapon against the British.

Satyagraha was non-violent, non-cooperation against a government which was high-handed, oppressive and unjust. He turned this movement into a mass movement, strengthened the Congress organisation and worked for the improvement of Indian society. Gandhiji exhorted the people of India to exercise five virtues : (i) spinning, (ii) removal of untouchability, (iii) non-consumption of alcohol (iv) Hindu-Muslim unity and (v) equality.

Satyagraha meant insistence on truth, and need to search for truth. He believed: if your cause was just then you did not need physical force to fight injustice. A Satyagrahi could win any

Mahatma Gandhi on *Satyagraha*

'It is said of "passive resistance" that it is the weapon of the weak, but the power which is the subject of this article can be used only by the strong. This power is not passive resistance; indeed it calls for intense activity. The movement in South Africa was not passive but active ...

'Satyagraha is not physical force. A *satyagrahi* does not inflict pain on the adversary; he does not seek his destruction ... In the use of *satyagraha*, there is no ill-will whatever.

'Satyagraha is pure soul-force. Truth is the very substance of the soul. That is why this force is called *satyagraha*. The soul is informed with knowledge. In it burns the flame of love. ... Non-violence is the supreme *dharma* ...

'It is certain that India cannot rival Britain or Europe in force of arms. The British worship the war-god and they can all of them become, as they are becoming, bearers of arms. The hundreds of millions in India can never carry arms. They have made the religion of non-violence their own ...'

battle by being non-violent instead of using violence to make the oppressors become just. Your moral force, backed with truth, will help you to succeed. Non-violence was Gandhiji's creed which he believed would unite the whole of India. 'Satyagraha' for him was a way of actively resisting the oppressor. The moral force of truth was enough to defeat the oppressor.

It meant fighting injustice peacefully without resorting to violence.

The first thing the Mahatma did was to organise Satyagraha movements. He organised movements in Champaran (Bihar) and Kheda in Gujarat.

Champaran Satyagraha (1917)

Champaran, a district in north-western part of Bihar, suffered under the European indigo planters. The Europeans practised all kinds of oppression against the weak Bihar peasants. Gandhiji, along with Dr Rajendra Prasad, started a campaign. He taught the peasants of Champaran the virtues of *Satyagraha*, which meant a non-violent, non-cooperation protest against the unjust planters. The shaken government appointed an enquiry committee in 1917, with Gandhiji as one of its members. The Champaran Agrarian Act freed the peasants from special taxes levied by the indigo planters.

The Kheda Campaign (1918)

The Kaira (Kheda) campaign was chiefly directed against the government. In 1918, there was a severe drought in Kaira district of Gujarat and crop failure. The Bombay government insisted on

extracting its land revenue. The land revenue rules provided for remission of land revenue, if the crop yield was less than 25% of the normal; but the government refused to admit that cultivators were right in demanding a remission of land revenue. Gandhiji organised the peasants and in large number they offered *Satyagraha*. They were imprisoned for defying the laws, but the campaign lasted till June 1918. The government had to concede the demands of the peasants.

Ahmedabad Satyagraha (1918)

Gandhiji also started a Satyagraha movement among the Cotton Mill Workers of Ahmedabad (1918). He undertook a fast unto death to strengthen the workers' demand and to continue the strike. The mill-owners relented and agreed to give 35 per cent hike in wages to workers. Thus, this movement was also successful.

The Champaran, Kaira and Ahmedabad struggles established Gandhiji as the leader of the masses. The educated now realised the political possibilities of peasant mass action.

The Rowlatt Act and the Jallianwala Bagh Massacre

Emboldened with the success in above Satyagraha movements, Gandhiji in 1919, decided to launch a nationwide Satyagraha against the Rowlatt Act. On 10 April, the police in Amritsar fired upon a peaceful procession, provoking widespread attacks on banks, post offices, railway stations. Martial law

was imposed and General Dyer took command. On 13 April, the infamous Jallianwala Bagh incident took place. A crowd of villagers had gathered in the enclosed ground of Jallianwala Bagh. Dyer entered the area, blocked the exit points and opened fire on the crowd, killing thousands.

The Khilafat – Non-Cooperation Movement (1921–1922)

Gandhiji took up the cause of the Muslims by joining the Muslims in their Khilafat movement of 1920. It was led by Ali Brothers Muhammad Ali and Shaukat Ali. They were protesting against the treatment given to the ruler of Turkey. The Muslims regarded the Caliph of Turkey as their spiritual head. They were incensed when they found that he had no control over the holy places which it was his duty to protect. The Turkish Empire was totally dismembered by 1920.

Gandhiji was especially invited to a Khilafat Conference in November 1919. He suggested to the Khilafat Committee to launch a programme of non-violent non-cooperation. In June 1920, the Khilafat Committee adopted the suggestion of non-cooperation and asked Gandhiji to lead it.

Gandhiji saw it as an opportunity to bring Muslims and Hindus together under a united national movement.

Finally, the Non-Cooperation Khilafat Movement began in January 1921. People responded to the call of Swaraj. The term, 'Swaraj' meant different things to different people.



The Movement in the Countryside for Swaraj

From the cities, the Non-cooperation movement spread to the countryside. Peasants and tribals joined the struggle.

We will discuss one major peasant movement – (i) In Awadh and (ii) one major tribal movement in Andhra Pradesh. Each movement began for different reasons.

(i) Peasant Movement in Awadh

- The leader of this movement was Baba Ram Chandra, a **Sanyasi** who had been to Fiji as an indentured labourer.
- The campaign was against the atrocities of the landlords and Talukdars.
- They imposed a variety of taxes on the peasants and extracted very high rents.
- They also forced the peasants to do ‘begar’ in their farms without making any payment.
- The peasants had no right to the land and could be thrown out if they did not pay the rent or do **begar**.
- Gandhiji urged the peasants to pay only 50% of the rent, refuse to do **begar** and start social boycott of

the oppressive landlords. This could be done if the Nais (Barbers) and Dhobis (Washermen) refused to serve them.

Did You Know?

In June 1920, Pt. Nehru toured the villages of Awadh in an attempt to understand the grievances of the peasants. He set up an Oudh Kisan Sabha in October 1920, and within a month, the Sabha had 300 branches.

- The peasant struggle was made a part of the Non-Cooperation Movement. But it had problems. In 1921, the peasants attacked Zamindars, and the houses of Talukdars and merchants were burnt. Bazaars were looted and grains were stolen. In many places the rumour spread that Gandhiji had said **no taxes** are to be paid. They (the peasants) even believed that land would be redistributed, with the poor getting a share in it.

Swaraj for them meant freedom from the oppression of the landlords.

(ii) Tribal Movement in Andhra Pradesh

The tribals of Gudum Hills in Andhra Pradesh gave their own interpretation to “Swaraj”. They started a **militant guerrilla movement** against the colonial government.

- Their leader was **Alluri Sitaram Raju** who claimed he had **special powers**. He could **survive bullet shots**, make **correct astrological predictions** and could **heal people**.

Causes : The reasons for their uprising were many —

- (i) The British administration had ended their isolation and brought them fully under colonialism.
- (ii) It made tribal chiefs into Zamindars and introduced a new system of land revenue and taxation of whatever the tribals produced.
- (iii) It tried to spread Christianity among the tribals and sent hundreds of Christian missionaries to their areas.
- (iv) Colonialism also introduced money-lenders, traders and middlemen in their society.
- (v) These middlemen soon took possession of their land and forced many tribals into debt.
- (vi) In a very short time the tribals lost their land and were forced to become agricultural labourers, share-croppers and rack-rented tenants on their own land. They had earlier cultivated this land held on a communal basis.
- (vii) Colonialism also changed their relationship with the forest. The tribals, since time immemorial, depended on the forest for their food, fuel and cattle-feed. They had cultivated their lands on the basis of “shifting cultivation”. They used to move on to new, fresh forest lands, when their existing lands were exhausted. The colonial government passed laws which banned their forest lands and restricted the tribals from using their own forest products and lands.

(viii) The revenue agents forced “begar” on the tribals (unpaid labour) and extortion became the rule. The intensity of this oppression was not on the same scale in every region, but the nature of change was same. Their old agrarian order was disrupted. The uprisings, therefore, were broad-based, involving thousands of tribals. Fellow tribals were never attacked. They also did not attack the non-tribal poor who worked in the tribal villages.

The rebels considered Raju an incarnation of God. Raju, on the other hand, was inspired by Gandhiji and his non-cooperation movement. He persuaded tribals to wear **Khadi** and give up drinking. But at the same time he believed India could become free by use of force and not by non-violent methods. The Gudem rebels attempted to kill British officials and attacked police stations. They carried on guerrilla war for winning Swaraj.

Raju was captured and executed in 1924, but ever since he has remained a tribal hero.

Swaraj and the Plantations

For the workers in British plantations, Swaraj meant freedom of a different kind.

For plantation workers in tea gardens of Assam, Gandhiji’s Swaraj meant :

- (i) right to freedom of movement.
- By the **Inland Emigration Act** of 1859, the British did not allow the plantation workers to go back to their villages without their permission.

This permission was very rarely given to them.

- (ii) The non-cooperation movement made them leave the plantations in thousands. They thought they were free to go back to their villages where they would be given land. Their dream was never realised. They were first stranded by railway and steamer strikes and then the police caught them and beat them up brutally.

The above examples of towns, countryside and plantations show how each group interpreted non-cooperation in their own way. But they had one thing in common. The tribals, the workers and the peasants chanted Gandhiji's name just as his followers did in towns and they all demanded "*Swatantra Bharat*", a free India. This linked them with the movement and identified them with the national movement and the Congress. They all believed that "*Swaraj*" would end their sufferings and troubles.

INCIDENTS LEADING TO CIVIL DISOBEDIENCE

Chauri Chaura Incident



The Non-Cooperation Movement came to an abrupt end in February 1922. There was serious mob violence at Chauri Chaura (near Gorakhpur in Uttar Pradesh) where a police station was burnt and a number of policemen killed. Gandhiji at once suspended the movement and declared that *Swaraj* could not be attained through violence. On 12 February 1922, the Non-Cooperation Movement came to an end.

Gandhiji's decision to withdraw the movement came in for severe criticism within the congress itself. Leaders like Motilal Nehru, C.R. Das, Jawaharlal Nehru, Subhash Bose and many others voiced their utter surprise and anger. They could not understand why the whole country had to pay the price for the violence of some people in a village.

Whatever the reason, the Non-Cooperation Movement was the first attempt at an all-India mass struggle against the British. It clearly demonstrated that the millions of "poor Indians" were capable of courage, sacrifice and ability to face repression and suffering. It was clear to the British that the desire for freedom was not only among the rich and the educated, it was common to all sections of society throughout India. The Muslims participated with the same enthusiasm in the movement as the rest of the nation, making it a truly mass national movement.

Some leaders, within the Congress, felt that instead of mass struggles, British policies should be opposed in the Councils. These Councils were not truly democratic. C.R. Das and Motilal Nehru formed the **Swaraj Party** within the Congress to fight for Council seats.

The Simon Commission

The British announced an all-White commission (November, 1927) to recommend whether India was ready for self-government. This commission was called the Simon Commission.

The response in India was unanimous and immediate. This Commission was considered an insult to India, as it had



Simon Commission Protest

no Indian in it to decide India's future. A call for boycott was given by the Hindu Mahasabha, the Muslim league, and the Congress. At its Madras session in 1927, presided over by Dr. M.A. Ansari, the Congress decided to boycott the Commission "at every stage and in every form". The Simon Commission was boycotted when it visited India in 1928. While leading anti-Simon Commission demonstration, Lala Lajpat Rai was brutally assaulted. He later on succumbed to injuries.

A new constitution was drafted under the leadership of Motilal Nehru in 1928. It produced the famous Nehru Report which presented a Constitution for India on the lines of self-governing dominions within the British empire. At the Lahore Session of the Congress (29-31 December 1929) the Congress adopted the resolution of complete independence for India as its goal. Jawaharlal Nehru, on the midnight of 31 December, hoisted the Indian tricolour, flag of Indian independence.

It was declared that 26 January 1930 would be celebrated as the Independence Day when people were to take the pledge for complete independence.

The Civil Disobedience Movement

The Civil Disobedience Movement was started by Gandhiji on 12 March, 1930 with his famous Dandi March which culminated on 6 April, 1930 when he picked up a handful of salt at Dandi and broke the salt law. The movement spread gradually to all parts of India. Violation of salt laws was followed by defiance of forest laws in several regions and refusal to pay taxes and land revenue. The Gandhi-Irwin Pact of March 1931 led to the suspension of the movement before it was relaunched in the year 1932.



Dandi March

NETAJI SUBHAS CHANDRA BOSE AND THE INA

There were many great heroes born at the time of the freedom movement, each with his own method of attaining one goal – Independence



Subhas Chandra Bose



for India. Some believed in non-violent means, whereas others did not. One such hero was Subhas Chandra Bose, popularly known as 'Netaji'.

Netaji was influenced more by Lokmanya Tilak and Sri Aurobindo. He did not agree with Gandhiji's methods of achieving Independence through non-violence.

At first, Netaji joined the Congress Party and was even elected President twice. But because he did not agree with Gandhiji's views, he broke off to form the Forward Bloc. He was imprisoned for his revolutionary activities on various occasions. At the time of World War II, the British were in a tight spot due to the pressure from Hitler. Netaji was under detention in Calcutta at that time, and decided to take advantage of the situation. Dressed as a Pathan, he escaped to Peshawar and then moved on to Kabul and Moscow. Next was Germany. Here he approached Hitler with his cause. Hitler was impressed and promised to help him. He then organised all the Indian prisoners of War to form the Liberation Army and free India.



Subhas Chandra Bose meeting Adolf Hitler

In 1943, Netaji left for Japan and formed the I.N.A. in Singapore in 1943. The year 1945 witnessed the I.N.A. waging a war in the North-East of our country. He inspired his army with the battle cry 'Delhi Chalo'. Even though he did not succeed in this battle, he had driven home his message. The British realised that the Indians were serious about gaining independence, and would assume any means towards that end.

On August 18, 1945, Bose died in a plane crash while flying from Bangkok to Tokyo. He did not live to see the Indian Independence, but his spirit still lives through his words - JAI HIND.

THE CABINET MISSION PLAN



After the rejection of the Cripps Proposals, various attempts to reconcile the two parties were made including the Simla Conference held at the instance of the Governor-General, Lord Wavell. These having failed, the British Cabinet sent three of its own members including Cripps himself, to make another serious attempt for the solution of Indian problem. The Cabinet Mission, which arrived in New Delhi on March 24, 1946, had prolonged negotiations with Jawaharlal Nehru and other leaders of the Congress and of the Muslim League. The Mission emphasised that their main object was not "to lay out the details of a constitution" for India but to set in motion a machinery whereby a constitution could be "settled by Indians for Indians".

In regard to the formation of the proposed constitution-making machinery, the Mission realised that the most satisfactory method would have been by election based on adult franchise, but that would have led to 'wholly unacceptable delay' in the formulation of the new constitution.

The Cabinet Mission, too, failed in making the two major parties (Congress and Muslim League) come to an agreement and was accordingly obliged to put forward their own proposals, which were announced simultaneously

SECTION A			
<i>Province</i>	<i>General</i>	<i>Muslim</i>	<i>Total</i>
Madras	45	4	49
Bombay	19	2	21
United Provinces	47	8	55
Bihar	31	5	36
Central Provinces	16	1	17
Orissa	9	0	9
	167	20	187

SECTION B				
<i>Province</i>	<i>General</i>	<i>Muslim</i>	<i>Sikh</i>	<i>Total</i>
Punjab	8	16	4	28
N.W.F.P.	0	3	0	3
Sind	1	3	0	4
	9	22	4	35

SECTION C			
<i>Province</i>	<i>General</i>	<i>Muslim</i>	<i>Total</i>
Bengal	27	33	60
Assam	7	3	10
	34	36	70

Total for British India:	292
Maximum for Indian States:	93
Total for Chief Commissioner's Provinces :	4
Total	389

in India and in England on the 16th May, 1946. The proposals are known as the Cabinet Mission Plan.

The Plan, while rejecting the demand of the All India Muslim League for partition of the country and establishment of a fully sovereign Pakistan, envisaged a confederation consisting of three groups of autonomous states, vesting the powers of three departments – Defence, External Affairs and Communications – in a Central Government and all the remaining powers with the groups themselves. Each of the groups was free to have a separate constitution of its own choice, thus giving ample scope for both the leading religious groups, Hindus and Muslims, to live unitedly but, at the same time, to enjoy complete autonomy in areas where they were in majority. The Plan had two parts, namely a long-term programme and a short-term one. While the former was concerned with the future political set up on a permanent basis, the latter was intended to establish an immediate Indian Interim Government.

The Cabinet Mission Plan also laid down in some detail the procedure to be followed by the constitution-making body. It was proposed in the Plan that for this Assembly each province was to be assigned specific number of seats. This number will be proportionate to the population of the province. Seats in each province will be allotted to different communities which will again be linked with population of the community in that province. Total number of seats in the proposed Constituent Assembly

was fixed at 389 to be divided as under: British India 292 seats; Chief Commissioners Provinces 4 seats and the Indian States 93 seats. The division of seats in the Constituent Assembly for the British Indian Provinces was fixed as in the table.

The Plan also envisaged that the representatives of the British Indian Provinces were to be elected by single transferable vote system. After a preliminary meeting at which the general order of business should be decided, a Chairman and other officers elected, and an 'Advisory Committee on Rights of Citizens, Minorities and Tribal and Excluded Areas' set up, the provincial representatives would divide up into three sections – Section A comprising Madras, Bombay, the United Provinces, Bihar, the Central Provinces

and Orissa; Section B comprising Punjab, the N.W.F.P. and Sind; and Section C comprising Assam and Bengal. Each group would then settle the constitutions of its Constituent Provinces and also decide whether any group constitution should be set up for those provinces and if so with what provincial subjects the group should deal. After the determination of these questions, the representatives of the three sections and the Indian States were to reassemble to draw up the Union Constitution.

The Plan, however, had its own problems and both the Congress and the Muslim League objected to some of the proposals contained in it. Ultimately, the Congress decided to accept the Constituent Assembly, whereas Muslim League protested against it. But ultimately when the time came, the League also contested the elections.

Timeline

- **April 1919** : Gandhian hartal against Rowlatt Act; Jallianwala Bagh massacre.
- **January 1921** : Non-Cooperation and Khilafat movement launched.
- **February 1922** : Chauri Chaura; Gandhiji withdraws Non-Cooperation movement.
- **May 1924** : Alluri Sitarama Raju arrested ending a two-year armed tribal struggle.
- **December 1929** : Lahore Congress; Congress adopts the demand for 'Purna Swaraj'.
- **March 1930** : Gandhiji begins Civil Disobedience Movement.
- **March 1931** : Gandhiji ends Civil Disobedience Movement.
- **September to December 1931** : Second Round Table Conference.
- **1932** : Civil Disobedience re-launched.

POINTS TO REMEMBER

- Three Satyagraha Movements led by Gandhiji one after another during 1917–18 made him a mass leader of freedom struggle. These were Champaran Satyagraha (1917), Kheda Satyagraha (1918) and Ahmedabad cotton mills Satyagraha (1918).
- The Khilafat-Non-Cooperation Movement (1921–22) was the first all-India mass movement launched by Gandhiji. Peasants, tribals and students came to the forefront during this struggle.
- The boycott of the Simon Commission in 1928, when it arrived in India and the passing of the resolution of Poorna Swaraj at Lahore session in December 1929, surcharged the political atmosphere and led to the Civil Disobedience Movement.
- S.C. Bose founded the I.N.A. in Singapore in 1943.
- The Cabinet Mission Plan (1946) suggested wide ranging constitutional reforms.

IMPORTANT TERMS

- o **Identity** : Individuality.
- o **Satyagraha** : Insistence on truth, a moral force.
- o **Extorted** : Forcefully obtained, by deception or threat
- o **Khilafat** : Opposition, defiance (a movement against colonial government).
- o **Extracted** : Took or pulled out forcefully.
- o **Begar** : Forced labour without any payment.
- o **Stranded** : Helpless, without resource.
- o **Communalism** : Strongly advocating the rights of one's own community as opposed to another.

EXERCISES

I. Multiple Choice Questions

1. Which was the first Satyagraha launched by Gandhiji in India?
(a) Champaran Satyagraha
(b) Kheda Satyagraha
(c) Ahmedabad Cotton Mill Workers Satyagraha
(d) None of these
2. Baba Ramchandra was :
(a) A sanyasi, who was earlier an indentured labourer
(b) Leader of the peasant revolt in Awadh
(c) Founder of the Kishan Sabha of Awadh in October 1920 alongwith J.L. Nehru
(d) All the above
3. The leader of the peasants in the Gudam Hills of Andhra Pradesh was
(a) Baba Ramchandra
(b) Venkata Raju
(c) Alluri Sitaram Raju
(d) Motilal Nehru



4. Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below :

Assertion (A) : The Kheda campaign was chiefly directed against the government.

Reason (R) : The peasants demanded a remission in land revenue due to a severe drought and crop failure.

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
 - (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)
 - (c) Assertion (A) is true but Reason (R) is false.
 - (d) Assertion (A) is false but Reason (R) is true.
5. Arrange the following statements in sequential order based on the events that shaped the Non-Cooperation Movement.

I : General Dyer opened fire at a large peaceful crowd in Jallianwala Bagh.

II : Economic hardships faced by the people during the First World War.

III : The Khilafat Movement

IV : Gandhiji launched a nationwide Satyagraha against the Rowlatt Act.

Alternatives

- (a) IV, III, II, I (b) II, I, III, IV (c) I, IV, III, II (d) I, II, III, IV
6. Which leader died due to injuries sustained during the above protest?
- (a) Sardar Bhagat Singh
 - (b) Lala Lajpat Rai
 - (c) B.C. Pal
 - (d) Motilal Nehru



7. Consider the statements given below and choose the correct answer.

Statement I : A new constitution was drafted under the leadership of Motilal Nehru in 1928.

Statement II : The Lahore session of the Congress (1929) adopted the resolution of complete independence for India.

- (a) Statement I is correct and II is incorrect
- (b) Statement I is incorrect and II is correct
- (c) Both Statements I and II are incorrect
- (d) Both statements I and II are correct.

II. Very Short Answer Questions

1. Name the leader of the tribal movement in Andhra Pradesh.
2. Who formed the Swaraj party?



III. Short Answer Questions

1. What is the significance of the Lahore Session of the Congress held in December 1929?
2. Write any two principles of Satyagraha.
3. When and why was the Inland Emigration Act passed by the British in India?



IV. Long Answer Questions

1. Discuss the tribal movement in Andhra Pradesh and its impact on nationalism.
2. Describe the main features of the Cabinet Mission Plan.
3. Discuss the contribution of Subhas Chandra Bose in the freedom struggle.



THINGS TO DO

I. PROJECT

- Topic** : Was Mahatma Gandhi's unique mode of struggle against colonialism a success? (with special reference to Non-Cooperation Movement)
- Objectives** : To create awareness of the new weapons chosen by Gandhiji to fight the British Raj.
To make learners think how successful he was or if he failed; why?

II. MAKING A POSTER

1. Make a large poster showing Mahatma Gandhi's career from 1915 till his participation in the Quit India Movement.
2. Let each student prepare a poster of what he/she thinks represents modern India. Display the best poster.

4

Trade and Globalisation

THE PRE-MODERN WORLD



The making of a global world has a long history – of trade, people in search of work, migration, the movement of capital, and much more. As we think of the dramatic and visible signs of global interconnectedness in our lives today, we need to understand what globalisation is and the phases through which this world has emerged. Globalisation is the increasing interconnection of people and places as a result of advances in transport, communication and information technologies that cause political, economic and cultural convergence. Globalisation is viewed as a century long process, tracking the expansion of human population and the growth of civilisation that has accelerated in the past 50 years. Early forms of globalisation existed during the Roman Empire, the Parthian Empire and the Han dynasty, when the Silk Route started in China, reached the boundaries of the Parthian empire and continued onwards towards Rome. The Islamic Age is also an example when Muslim traders established a global economy resulting in globalisation of crops, trade, knowledge and technology and later during the Mongol empire when

there was greater integration along the Silk Road. Global integration continued through the sixteenth and seventeenth centuries when the Portuguese and the Spanish traders reached all corners of the world after expanding to the Americas.

The Silk Route

The Silk Route served as a trade and cultural route that were central to cultural interaction through regions of the Asian continent connecting East and West by linking traders, merchants, pilgrims, monks, soldiers, nomads and urban dwellers from China to the Mediterranean Sea. Trade on the Silk Route was a significant factor in the development of the great civilisations of China, Egypt, Mesopotamia, Persia and the Indian subcontinent and helped to lay the foundations of the modern world.

The disappearance of the Silk Route following the end of the Mongol power was one of the main factors that stimulated the Europeans to reach the prosperous Chinese empire through another route by the sea. Tremendous profits were to be obtained for anyone who could achieve a direct trade connection with Asia. Chinese pottery also travelled on the same route as did spices and textiles from India and South-east Asia. In return, precious metals like

silver and gold came from Europe to Asia.

CHANGES IN THE NINETEENTH CENTURY



The world had deeply changed in the nineteenth century. Economic, social, political, technological and cultural factors interacted in complex ways to transform societies and reshape external relations. Economists identify three types of movement or ‘flows’ within international economic exchanges : (i) flow of trade or trade in goods (ii) flow of labour or the migration of people in search of employment (iii) flow of capital for investment overseas.

Late 19th Century Colonialism

Trade developed and markets expanded in the late nineteenth century. The expansion of trade and a close relationship with the world economy meant a loss of freedom and livelihoods in many parts of the world. The late nineteenth century European conquests produced many economic, ecological and social changes through which the colonised societies were brought into the world economy.

For example, while we look at the map of Africa, we can see some countries’ ‘borders’ run straight. In fact, this was how rival European powers in Africa drew up the borders marking their respective territories. The big European powers met in Berlin in 1885 to complete the carving up of Africa between them.

France and Belgium made vast additions to their territories in the

late nineteenth century. Germany and Belgium became new colonial powers. The US also became a colonial power in the late 1890s by taking over some colonies previously occupied by Spain.

Indentured Labour Migration from India

When slavery was abolished in 1834, the freed Africans either opted not to work on sugar plantations or asked for better living conditions. The demands of freed Africans for basic wage structure and better living conditions were met with severe opposition from white colonial partners. To save the plantations from total collapse, European planters started searching for alternative cheap labour from different parts of the world.

Initially, they imported poor labourers from the Portuguese island of Madeira and other parts of Europe. All these labourers had to perform the same tasks once done by the African slaves. But none of these labourers could withstand the horrible working and living conditions of the plantations.

An impoverished India after the First War of Independence (1857) became the perfect source of cheap labour for recruitment. A new system of contractual slavery termed ‘Indentured Labour Contract’ was developed by the colonial administration to bring migrant labourers from the Indian subcontinent.

In the nineteenth century, hundreds of thousands of Indian and Chinese workers went to work on plantations,

in mines and in road and railway construction. These indentured labourers were hired in India under contracts which promised return travel to India after they had worked for five years on their employer's plantation. Most of them came from the present day regions of eastern Bihar, Uttar Pradesh, Central India and Tamil Nadu.

The reason why they arrived in large numbers were many. Cottage industries declined, land rents rose, lands were cleared for mines and plantations.

The main destinations of indentured migrants were the Caribbean islands (Trinidad, Surinam, Guyana), Fiji and Mauritius. Tamil migrants went to Ceylon (Sri Lanka) and Malaya. Some were also needed for tea plantations in Assam.



Newly arrived Indian coolies in Trinidad

Many migrants agreed to work in the hope that they would escape poverty or exploitation in their home villages. They were tempted by agents who allured the migrants by giving false information about the nature of work, modes of travel and living and working conditions.

Many workers found their own ways of survival. Some escaped to the wilds, and if caught were severely punished. Others developed new forms of individual and collective self-expression, blending different cultural forms – old and new. For example, the annual Muharram procession in Trinidad was transformed into a riotous festival called ‘Hosay’ (for Imam Hussain) in which workers of all religions and races joined. Another cultural link ‘chutney music’ popular in Trinidad and Guyana was another form of expression of post-indenture experience.

These forms of cultural mix lost their original characteristics and became something new.

Most of the indentured workers stayed on even when their contracts expired. Hence a large number of communities of Indian descent still exist in these countries. Nobel Prize Winner Late V.S. Naipaul was one of them. The Nationalist leaders opposed the system of indentured labour and it was abolished in 1921.

POST-WAR RECOVERY



Britain faced a long crisis. While Britain was pre-occupied with war, industries had developed in India and Japan. Moreover, Britain had borrowed liberally from the US. This meant that at the end of the war, Britain was overburdened with huge external debts.

The war had caused an economic boom. This meant that it resulted

in large increases in demand, employment and production. When the war ended, production declined and unemployment increased. One in every five British workers was out of work in 1921.

Many agricultural economies were also in great crisis. For example, eastern Europe was a major supplier of wheat in the world before the war. When this supply was interrupted, wheat production in America, Canada and Australia expanded. Production in eastern Europe revived after the war was over. Grain prices fell, rural incomes declined and farmers were under debt.

RISE OF MASS PRODUCTION AND CONSUMPTION



In the 1920s, mass production became a marked feature in the US. Henry Ford was a well-known pioneer of mass production of cars. He saw that the ‘assembly line’ method would allow a faster and cheaper way of car production.

In the ‘assembly line’ method, workers had to repeat a single task – like fitting a particular part to the car – at a pace dictated by the conveyor belt. This was a method of increasing the output per worker by speeding up the pace of work. Subsequently, Henry Ford’s car came out of the assembly line at three-minute intervals, a speed much faster than what was possible with the previous methods. The T-model Ford was the world’s first mass-produced car.



T-model Ford, 1927, Sedan

Unable to cope with the stress of working on assembly lines, workers at the Ford factory quit in large numbers. In desperation, Ford doubled the daily wage to 5 dollars in January, 1914.

Henry Ford recovered the high wage by increasing the production line and making workers work harder. Ford’s industrial practices soon spread in the US. Mass production lowered the costs of engineered goods. Because of higher wages, workers could now afford to purchase durable consumer goods such as cars. Car production in the US rose from 2 million in 1919 to 5 million in 1929. There was also a spurt in the purchase of refrigerators, radios, washing machines, gramophones etc.

The housing and consumer boom of the 1920s created the foundation of prosperity in the US. Large investments in housing created a cycle of higher employment and incomes, more investment, rising consumption demand and more incomes and employment.

The US resumed exporting capital to the rest of the world in 1923. US imports

and capital exports boosted European recovery and world trade and income growth during the next six years.

THE GREAT DEPRESSION



The Great Depression was a period of unemployment, low profits, low prices on goods, high poverty and a stand-still trade market that affected the entire world in the 1930s. It began around 1929 and lasted till the mid-1930s. The worst hit sectors were heavy industry, agriculture, mining and logging. The stock market crash of 1929 did not cause the depression, but it certainly increased the difficulty of recovery. The Depression ended in 1935 and caused major political changes. Most notably, the New Deal that involved large scale federal relief programmes, aid to agriculture, support for labour unions and the formation of the New Deal coalition by Franklin D. Roosevelt, President of USA.



A crowd gathers to receive free food

The Depression happened due to many factors. First, agricultural over-production was a problem, which was



An unemployed man selling apples on the street — a common sight in cities

made worse by falling agricultural prices. Farmers tried to expand production and bring a larger volume of produce to the market to keep up their overall income. This worsened the surplus in the market pushing down prices even further.

Second, in the late 1920s the price of shares in the USA had been forced up beyond their real value by reckless speculators.

Then in October 1929, people started to sell shares rapidly. People began to panic. On a single day, 13 million shares were sold on the New York Stock Exchange. An economic crisis started which soon affected the whole world. Many people lost all their money. Banks and businesses closed and unemployment began to increase. By 1932, 12 million people were unemployed in the USA alone.

Third, the situation was made worse by a drought in the agricultural centre of the USA. The soil turned to dust and thousands of farmers left their land to start a new life in California and other states.

Did You Know?

In some parts of the world, the Depression lasted until the end of the 1930s. High unemployment led to social and political unrest. This was especially true in Germany where 6 million people were out of work by 1933.

In 1933, Franklin D. Roosevelt, the new US President, promised a 'New Deal'. This introduced protection for people's savings and new regulation of banks. Farm prices were supported and many programmes of construction were started to create employment.

India and the Great Depression

The Depression soon affected Indian trade. India's exports and imports nearly halved between 1928-34. As prices in the US fell, prices in India also plunged down. The prices of wheat fell by 50 per cent between 1928-34.

Peasants suffered more than the urban dwellers. For example, the jute producers of Bengal produced raw jute which was processed in factories for export in the form of gunny bags. As exports of gunny bags slumped, the price of raw jute fell down by 60 per cent. The peasant indebtedness increased across India. They spent their savings, mortgaged lands, and sold jewellery they owned to meet their expenses. During these years, India became an exporter of gold. John Maynard Keynes, a famous economist, thought that Indian gold exports promoted global economic

recovery. It did speed up Britain's recovery but did nothing for the Indian peasant. At the height of the Depression in 1930, Mahatma Gandhi launched the Civil Disobedience Movement.

THE POST-WAR INTERNATIONAL ECONOMIC ORDER



The Second World War was fought between the Axis powers (Nazi Germany, Japan and Italy) and the Allies (France, Britain, Soviet Union, and the US). The war continued for many years over land, in the air and on sea.

Around 60 million people were believed to have been killed, due to the war. Many parts of Europe and Asia were devastated and several cities destroyed by aerial bombardment. The war caused an immense amount of economic loss and social unrest. Reconstruction was too long and arduous.

The post-war reconstruction was marked by two crucial influences. First was the US's emergence as a dominant political, economic and military power in the western world. Second was the dominance of the Soviet Union. It made huge sacrifices to defeat Nazi Germany and transformed itself from a backward agricultural economy into a world power when the world was trapped in the Great Depression.

The Bretton Woods Conference

The main aim of the post-war international economic system was to preserve economic stability and full employment in the industrial world.

The framework was agreed upon at the United Nations Monetary and Financial Conference held in July 1944 at Bretton Woods in New Hampshire, USA.

The Bretton Woods system of international monetary management established the rules for commercial and financial relations among the world's major industrial states. The Bretton Woods system was the first example of a fully negotiated monetary order intended to govern monetary relations among independent nation-states.

To regulate the international monetary system, the planners at Bretton Woods established the International Bank for Reconstruction and Development (IBRD) or the World Bank and the International Monetary Fund (IMF). These organisations became operational in 1947 after many countries had ratified the agreement.



Bretton Woods Conference

The chief features of the Bretton Woods system was to adopt a monetary policy that maintained the exchange rate of its currency within a fixed value – plus or minus one per cent – in terms of

gold and the ability of the IMF to bridge temporary imbalances of payments.

End of Bretton Woods and Beginning of Globalisation

Despite the years of rapid growth, all was not well in the post-war world. The US dollar no longer commanded confidence as the world's principal currency. It could not maintain its value in relation to gold. This led to the collapse of the system of **fixed exchange rates** and the introduction of a system of **floating exchange rates**.

From the mid-1970s, the international financial system also changed. Previously, developing countries could turn to international institutions for loans. But now, they were forced to borrow from western commercial banks. This led to periodic debt crises and increased poverty, especially in Africa and Latin America.

The industrial world was also hit by unemployment that began rising from the mid-1970s and remained high until the early 1980s. From the late 1970s, MNCs also began to shift production operations to low-wage Asian countries.

China had been cut off from the post-war world economy. Soon, new economic policies in China and the collapse of the Soviet Union in eastern Europe brought many countries into the fold of the world economy.

Many MNCs came up in the 1950s and 1960s as US businesses expanded worldwide. Western Europe and Japan also recovered to become powerful industrial economies.

1. The International Monetary Fund

The IMF was established on December 27, 1945, when 29 participating countries at the conference of Bretton Woods signed its Articles of Agreement. It was to be the main instrument of public international management and keeper of rules. The IMF advised the countries on policies affecting the monetary system and its approval was necessary for any change in exchange rates in excess of 10%.



- MNCs are engaged in the active management of these overseas assets.
- MNCs are also involved in the management, integration of operations located in different countries.

2. The International Bank for Reconstruction and Development (IBRD)

This is one of the most important agencies of the World Bank Group. It was set up to promote the growth of world trade and to finance the postwar reconstruction of Europe.



What are MNCs?

Multinational Corporations (MNCs) are large companies that operate in several countries at the same time.

- MNCs have substantial direct investment in foreign countries.

Did You Know?

- Under the Bretton Woods system, there was unprecedented growth of trade and income for Japan and Western Industrialist Nations.
- Unemployment rates fell below 5% in these countries.
- At the same time developing nations did not benefit as they were dominated and exploited by the colonial powers.
- Decision-making in World Bank and the IMF is controlled by the Western industrial powers. The US has an effective right of veto over key IMF and World Bank decisions.
- The developing countries formed themselves into a group – the Group of 77 (or G-77). They demanded a new economic order (NEO). This was a system which would give them real control over their natural resources, fairer prices for raw materials and better access for their manufactured goods in developed countries' markets.

GLOBALISATION

Meaning and Features



Globalisation is a process of world- wide coordination of political, economic, social, scientific and cultural life of the people and successfully aims at unifying them at physical and psychological levels. The concept of globalisation arose in the last decade of the twentieth century and is still under active discussion in the twenty-first century. There has been a revolution in the field of communication and many prominent newspapers and periodicals, books and encyclopedias etc. are available on the internet.

Cheap and quick means of transport have increased the mobility of raw materials, manufactured goods and technology. New modes of communication have made trade and transfer of finance fast and transparent. Stock Exchanges have gone 'scripless' and 'floorless' facilitating transaction of shares all over the world.

Globalisation wishes to unify all the nation-states of the world under the structure of the WTO. But a little reflection clarifies that it is the principle of cost and profit in a new garb which was propounded by the British economists to give a theoretical basis to free flow of goods between Britain and her colonies. It is argued that international specialization benefits both

the countries that establish trade relations with one another. They lay emphasis on the policy of export-orientation rather than import-substitution for development. The imperialist powers followed the same policy of encouraging the flow of capital and technology to colonies and succeeded in exploiting their natural resources. They prospered at the cost of colonies which suffered from economic stagnation and poverty.

Globalisation is an important ingredient in the economic reforms package and has four features : (i) Eliminating trade obstructions to facilitate free flow of goods, (ii) creating conditions conducive to free flow of capital, (iii) creating an environment for the free flow of technology, and (iv) lastly, creating an atmosphere for the free flow of labour, and this is most important from the point of view of developing countries.

Impact of Globalisation

Outwardly it appears that globalisation has turned the world into a 'global village' but the ambition of developing countries to join the fraternity of developed nations has raised many problems of which poverty is the most wicked. Here we shall describe the impact of globalisation.

(i) In the garb of globalisation, poor and underdeveloped countries were

forced to lift all non-tax restrictions on international trade and to cut custom duties to bring them to the international level. This benefited the developed countries and the underdeveloped countries suffered a loss of millions of dollars.

(ii) The developed countries talk about free flow of finished products, primary goods, financial and insurance services and capital but object to the free flow of labour on the ground that it would increase supply of labour in their country, bring down wages and cause unemployment. But they turn an indifferent eye to the fact that in foreign countries the workers will fetch higher wages and improve their standard of life.

(iii) The experience of a number of developing countries tells that the developed countries are interested in investing in those sectors where the gestation period is short and returns are high and overall risk is little whether it is in the interest of the country concerned or not. In India after liberalisation and the programme of economic reforms which began in 1991, most of the direct investment has been in the sector of foreign liquor, confectionary, motor cars, two-and three-wheelers and electronic goods such as TV., V.C.R., music system, fridge, air conditioners etc. Time will tell how much it will benefit the poor.

(iv) Financial assistance to poor countries is associated with adverse

conditions. Because of low credit rating and high rate of inflation the rate of interest is higher. They have to pay a huge amount as interest on loans and consequently curtail expenditure on education and healthcare etc.

(v) The cut in customs duties harms the poor countries in two ways. First, it reduces revenue and makes it difficult for the government to run programmes for the welfare of the poor. Secondly, it promotes imports which are mainly luxury goods and the country's valuable foreign exchange reserves begin to melt.

(vi) Globalisation also reduces government's participation in economic sphere. Public enterprises are privatised, number of jobs is reduced in the name of rationalization, government is forced to resort to deficit financing and curtail subsidy on foodgrains as also to cut expenditure on education and healthcare services.

(vii) Another argument is that direct foreign investment will enhance opportunities of employment. But the experience of countries like Argentina, Chile, Mexico, South Korea, Indonesia, Ecuador and Uruguay etc. shows that instead of the above so called advantages, liberalisation has increased disparity of income and wealth distribution.

(viii) Globalisation has changed consumption patterns. The demand for luxury goods like cars, televisions, air

conditioners, refrigerators, cold drinks and fast food etc. has gone up and the production of goods used by the poor has either declined or stagnated.

Some economists consider liberalisation inimical to social welfare. It can produce better results only when education, health care, and human resources have been developed. If the basic needs have not already been fulfilled liberalisation is doomed to failure as it happened in Brazil where capital concentrated in a few hands and the economy crashed. But it succeeded

in China where the rate of literacy have improved and healthcare and human resources have developed.

It is a pity that globalisation has benefited only about 15 per cent people living in highly industrialised countries. They are forcing developing countries to open their markets but are not willing to give them concessions to expand their exports. It is difficult to say that globalisation is in the interests of the poor and developing nations of the world.

POINTS TO REMEMBER

- The main destinations of indentured migrants from India were Caribbean islands, Fiji, Mauritius, Sri Lanka.
- The Great Depression of 1930s shook the world. In 1933, F.D. Roosevelt launched the New Deal.
- The Depression affected Indian economy deeply; peasants were the worst sufferers.
- The IMF and the World Bank were established to rejuvenate international economy during the post-war period.
- Modern Globalisation began in the 1970s. It is a process of worldwide integration & coordination of political, economic and social life of people.
- Globalisation has had far-reaching impact on socio-economic dynamics of the world.

IMPORTANT TERMS

- **Migration** : act or process of changing habitat
- **Globalisation** : free movement of capital, goods, technology, ideas and people across the world.
- **Convergence** : to come together at a point
- **Accelerated** : to cause to progress quickly
- **Decimated** : to destroy or kill a large part of
- **Dissenters** : one who refuses to accept established beliefs and practices
- **Extinction** : dying out, becoming extinct
- **Impoverished** : deprived of strength, resources
- **Remittances** : sending of money
- **Isolation** : solitude, confinement

EXERCISES

I. Multiple Choice Questions



1. 'The decision-making in the IMF and the World Bank is controlled by :
(a) All the member-nations of these two banks
(b) Western industrial powers and the US's right to veto over key IMF and World Bank decisions
(c) The Asian-African bloc
(d) A majority vote by all the nations
2. Multinational Corporations (MNC's) are
(a) Foreign companies that flourish in the developing countries
(b) Large companies that operate in several countries at the same time
(c) Large companies that try to exploit small companies
(d) West European and Japanese companies which exploit the developing countries

3. Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below :

Assertion (A) : The post-war reconstruction was marked by two crucial influences.

Reason (R) : First was the emergence of US as a super power and second was the dominance of Soviet Union.

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
 - (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)
 - (c) Assertion (A) is true but Reason (R) is false.
 - (d) Assertion (A) is false but Reason (R) is true.
4. What is the theme of the above picture?
(a) Unemployment and poverty
(b) Globalisation
(c) Great Depression
(d) Fall in agricultural prices



II. Very Short Answer Questions

1. Name the pioneer of mass production of cars.
2. What did the G-77 demand?



III. Short Answer Questions

1. Define globalisation.



2. Define the term 'migrant'.
3. List the chief features of the Bretton Woods system.

IV. Long Answer Questions

1. Mention the two crucial influences that marked the post-war reconstruction.
2. Examine why the Great Depression was a catastrophic event for the USA.
3. Explain the causes of the Great Depression.
4. Explain the impact of globalisation.



[HOTS]

THINGS TO DO

I. ACTIVITY

Divide the class in two groups. One group prepares a paper on why Bretton Woods System came into being and their benefit. The Second Group prepares a paper on why the Bretton Woods System failed to satisfy and what replaced it. Choose a leader from each group to read out their paper.



II. CLASS DISCUSSION

Divide the class into **five** groups. Each group takes up a topic and prepares a chart on it, highlighting the causes, main events and consequences involved in the topic.

- (a) G-77 (b) Globalisation

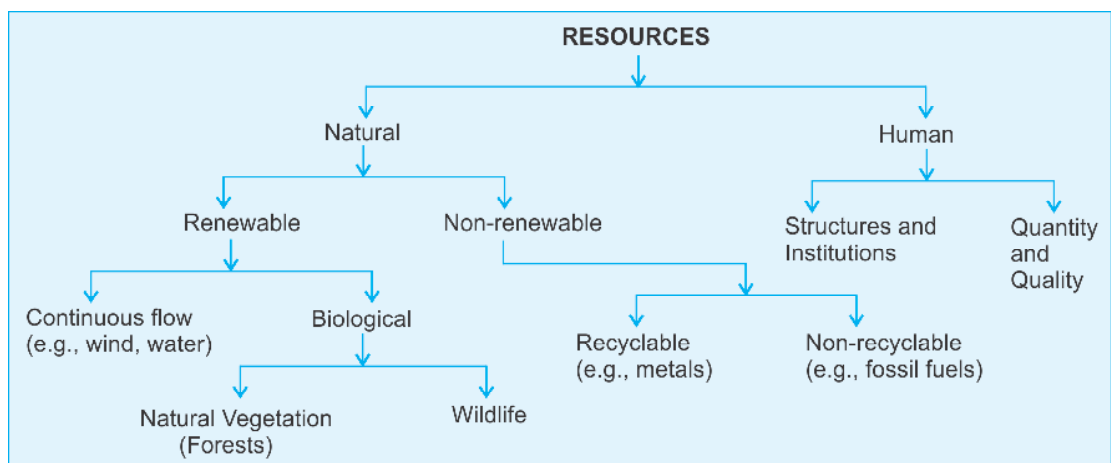
UNIT - II

RESOURCES (INDIA)

Everything on earth that is useful and necessary for man's existence on this planet is referred to as a **resource**. All natural and man-made substances that have the capacity to fulfil human needs and satisfy human wants are termed as resources. Resources must be technologically accessible, economically feasible and culturally acceptable. Thus, the process of transformation of things available in our environment involves an interdependent relationship between the nature, humans and technology.

Earlier, resources were considered the 'free gifts of nature'. But today resources are termed as a function of human activities. Human beings themselves are an essential component of resources and are termed as **Human Resource**. It is the most important

resource because the use and development of all other resources are determined by humans. Humans, with their intelligence, transform naturally occurring substances into usable resources. They interact with nature by utilising technology and form institutions with the objective of accelerating their economic development. Resources are usable only when they pass through a resource process. For example, iron cannot be used in its ore form. It must be mined and processed before it can be used to make things. It is important to realise that an element of the environment does not become a resource just because it is there and perceived as being one. The test is its usage. The use of a resource also involves its depletion and disposal of its waste.



CLASSIFICATION OF RESOURCES

These resources can be classified in the following ways–



(a) **On the basis of origin** – biotic (Human beings, plants, animals) and abiotic (Land, air, water)

(b) **On the basis of exhaustibility** – renewable (Solar and wind energy) and non-renewable (Minerals and fossils fuels)

(c) **On the basis of ownership** – individual (own plots, wells), community (public parks, picnic spots), national (railways, roads, canals) and international (The oceanic resources beyond 200 nautical miles of the coastline of the country belong to open ocean and no individual country can utilise these without the concurrence of international institutions).

(d) **On the basis of status of development** – potential, developed, stock and reserves. – Examples of potential resource are wind and solar energy, which can be generated in parts of Rajasthan and Gujarat but whose use has not yet begun. Developed resources include coal, petroleum, mineral oil, iron ore, bauxite, etc. – Example of stock items include water (from which hydrogen and oxygen can be derived as rich sources of energy), which is available locally in abundance, but as we don't have the advanced technology to use it,

it can be considered a stock item – Example of river water can be used for generating hydroelectric power, but presently it is being used only to a limited extent. Thus, the water is the dams, forests, etc. a reserve that can be used in the future.

CONSERVATION OF RESOURCES



Resources are essential for sustenance as well as for development. But over- exploitation and unplanned consumption of resources are leading to their depletion. This has socio-economic and environmental consequences. These problems can be tackled by adopting resource conservation as a means to manage and save resources for a better future. Conservation of resources means using resources efficiently that are needed now without harming future prospects. Conservation does not prohibit the use of resources but emphasises judicious and planned use of natural resources.

NEED FOR RESOURCE PLANNING



Resources are unevenly distributed and limited all over the world. Resource planning is required for proper use and utilisation of resources, as overuse and exploitation of resources have created many problems. Resource planning is the technique of a balanced utilisation of resources.

Study the table given below very carefully.

State	Resources Available	Resources Lacking
Rajasthan	Solar energy	Water
Arunachal Pradesh	Abundance of water resources	Infrastructural development
Ladakh (J & K)	Rich in uranium	Water and infrastructural development
Jharkhand, Chhattisgarh, Madhya Pradesh	Coal and minerals	Self-sufficient

Resource Planning in India

It is obvious from the previous table that India is a land of enormous diversity in the availability of resources. Some regions are rich in certain resources but deficient in some other resources while some are self-sufficient in terms of availability of resources. There are some

regions that have acute shortage of some vital resources.

There is thus the need for a balanced programme of resource planning at the national, state, regional and local levels. India's efforts towards attaining the goals of resource planning are very evident ever since the Five Year Plans that were launched after independence.

Resource planning has three stages—

1. Identification and preparation of inventory of resources. This involves surveying, mapping, estimating and measurement of quantity, characteristics and properties of the resources.	2. Developing a planning structure empowered with appropriate technology, skill and setting up institutions for implementing the aims of resource planning.	3. Matching the resource development plans keeping in mind the overall national development plans.
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Development of any region depends on availability of resources and appropriate technological skill and an institutional set-up. If either is missing, development is not possible. Many regions in India are rich in resources but economically backward. List them and give reasons for their almost negligible development.

Thus, development in India, especially resource development is a function of:

- availability of resources,
- technology,
- quality of human resources, and
- historical experiences of the people.

Activity

Choose four states of India — one each from north, south, east and west. List them in the table given below. Now fill in the blank columns with the relevant information. Use an atlas and Internet to get information.

State	Resources found in the state	Resources deficit in the state

LAND RESOURCES

Land is a very important resource. Land all over the world supports natural vegetation, wildlife, human life, economic activities, communication and transport system. Hence, land is of great significance for all nations. It is an important asset which needs to be used with care and concern because it is finite in nature. Careful planning of land use is also very important.

India is a vast country with a variety

of physical features like mountains, plateaus and plains.

Land use pattern in India

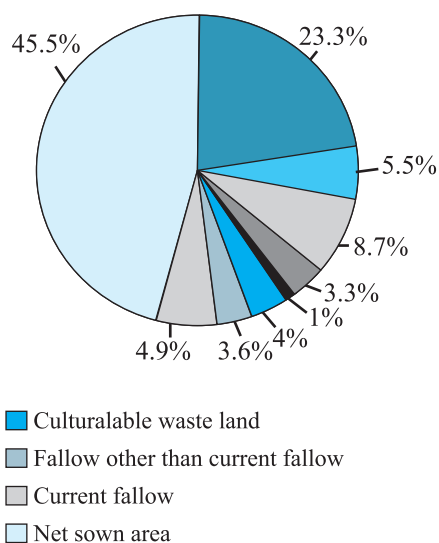
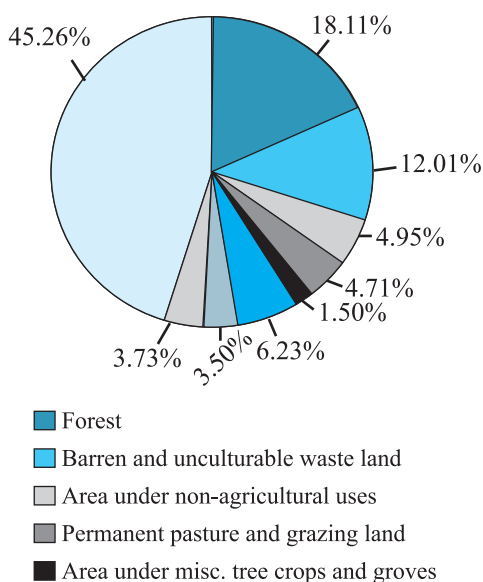
Both physical and human factors determine the land use pattern of any area. Physical factors include topography, climate, soil types and human factors include population density, technological capability and cultural traditions, to name a few.

India has a total geographical area

General land use categories – 1960-61

General land use categories – 2014-15

Reporting Area : 100 Per cent



Source : Directorate of economics and Statistics, Ministry of Agriculture, 2017

of 3.28 million sq. km. We get to know about the land utilisation of this area on the basis of land use data given here.

Recent studies and statistics clearly point out that land under permanent pastures and land under tree crops have decreased. The decrease in land under permanent pastures has serious consequences, because it becomes difficult to feed the huge cattle population if grazing lands are less. Land under forests has increased marginally.

The current fallow lands are cultivated once or twice in about two to three years because such lands are of poor quality or the cultivation cost involved is very high. If these lands are included in the net sown area, 54 per cent of the total surveyed area is under Net Sown Area.

There is a wide variation in the pattern of net sown area from one state to another. If we compare Haryana and Punjab with Arunachal Pradesh, Mizoram, Manipur and Andaman and Nicobar Islands there is a great disparity. In Punjab and Haryana the net sown area is 80 per cent of the total area but in the other mentioned states, such as Mizoram, Arunachal Pradesh and Andaman & Nicobar Islands, it is less than 10 per cent of the total area.

The main reasons for this difference are many, e.g., climate, soil, relief, irrigation facilities. The success of Green Revolution in Punjab and Haryana has also accounted for larger areas under net sown area in these states.

The National Forest Policy (1952) has outlaid that the desired forest area of a country must be 33 per cent of the geographical area. This was necessary for maintaining the ecological balance. But the present forest cover is only 23.3% per cent, much lower than the desired percentage. This creates difficulties for millions of people who live in the fringe areas of the forests and depend upon the forests for their livelihood. Some land is termed as wasteland; this includes rocky, arid and desert areas. Some land is termed as land put to other non-agricultural uses; this includes settlements, roads, railways, industries, etc.

LAND DEGRADATION

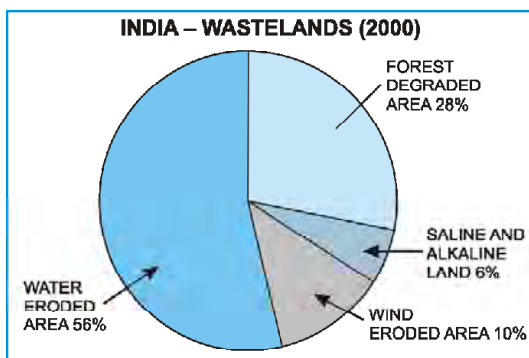


Human activities have brought about degradation of land. It will further get degraded over time if appropriate measures are not taken to conserve and manage it. Land degradation disturbs the ecological balance.

Land degradation is caused due to deforestation, shortage of land due to increased population, poor land use, insecure land tenure, inappropriate land management practices and poverty.

Human beings have degraded this natural endowment with their activities. Land has always provided us with our basic needs such as food, clothing and shelter but lack of proper measures to conserve it has had serious repercussions.

Wastelands are degraded land which do not fulfil their life sustaining potential.



Wastelands of India

Wastelands can result from inherent/imposed disabilities, e.g., location, environment, chemical and physical properties of the soil or financial or management constraints. Presently in India about 130 million hectares of land is in degraded condition.

Land degradation has many causes —

- Overgrazing is one of the main reasons for land degradation. This is rampant in Gujarat, Rajasthan, Madhya Pradesh and Maharashtra. When overgrazing of natural pastures takes place the vegetation cover decreases. This leads to wind and water erosion.
- Abandoned mining sites have created deep scars and have nothing left to be utilised. This is common in the states of Jharkhand, Chhattisgarh, Odisha and Madhya Pradesh. Deforestation, which occurs due to mining, has caused severe land degradation.
- Waterlogging is also one of the main causes. The main reason of waterlogging is over-irrigation. This is common in Uttar Pradesh,

Haryana and Punjab. Waterlogging results in the increase of the salinity and alkalinity in the soil.

- Mineral processing is also a major cause. This happens when cement is made. During this process limestone is ground and this generates a huge quantity of dust in the atmosphere. This dust settles down on the land and hinders the infiltration of water into the soil.

Fact File

- There are approximately 130 million hectares of degraded land in India.
- 28% falls in the category of forest degraded area.
- 56% is water eroded area.
- Remaining is affected by saline and alkaline deposits.

Processing of calcite and soapstone for ceramic industry creates the same problem.

- Effluents from industries also cause land degradation.
- Agricultural practices such as shifting agriculture, absence of soil conservation measures, unbalanced fertiliser use and faulty planning and irrigation also cause land degradation.

The problem of land degradation needs to be tackled urgently.

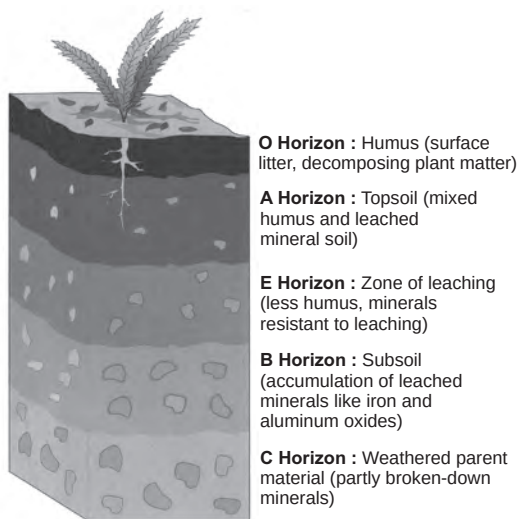
SOIL—A RESOURCE

The uppermost layer of the earth's crust in which plants



grow is called soil. This definition marks soil as a basic resource for agriculture. This is because all agricultural activities including raising of animals depend on plant growth. Soil is a living system and a renewable natural resource. It gets formed through a very slow process, i.e., almost a million years are required to form soil of a few centimetres in depth.

The components of soil are grouped into inorganic and organic substances. The organic components of soil are both living and dead plant and animal matter.



Soil Profile

The organic part formed by decomposition of dead animals and plant matter is called **humus**. The inorganic substances are chiefly weathered rock material. Topography or relief, time, climate, parent rock or bed rock, vegetation and other forms of life are potent factors that play an important role in soil formation. Added to these are the agents of erosion like running water, glaciers, wind and

temperature change. Chemical and organic changes also contribute towards soil formation.

TYPES OF SOIL

The factors that influence soil formation differ from one place to another. Hence, different types of soils are found at different places and under various climatic conditions.

Indian soils are classified into six main types on the basis of texture or colour and their physical and chemical properties :

- (1) Alluvial soils
- (2) Black soils
- (3) Red and yellow soils
- (4) Laterite soils
- (5) Arid soils
- (6) Forest soils

Alluvial Soils

Alluvial soils form the bulk of soils of India. They are found mainly in the river valleys of the Northern Plains and are very fertile. These soils are also found in strips, in Gujarat and Rajasthan. They also cover the eastern coastal plains, especially the deltas of Mahanadi, Godavari, Krishna and Kaveri rivers. These soils contain adequate proportion of potash, phosphoric acid and lime which are best for the cultivation of sugarcane, paddy, wheat and other cereal and pulse crops. Because of their high fertility the areas of alluvial soils are used intensively for growing crops and are, therefore, densely populated.

Alluvial soil can be classified as ‘Khadar’ and ‘Bangar’ soils. The new alluvial soil is known as ‘Khadar’



whereas the old alluvial soil is known as 'Bangar'. The 'Khadar' soil is more fertile than 'Bangar'.

Black Soils

These are sedentary soils. They are derived from lava in the Deccan Trap area composed of basalt rocks. This includes Maharashtra, western Madhya Pradesh, Chhattisgarh, Saurashtra in Gujarat, parts of Karnataka, Andhra Pradesh and Tamil Nadu.

They are also known as 'regur' (from Telegu) or black cotton soils. Such a soil is ideal for growing cotton and hence the name. They have extremely good moisture retention capacity but become sticky when wet because they have almost 60 per cent of clay content.

Black soils are rich in soil nutrients such as calcium carbonate, magnesium, potash and lime but poor in phosphoric contents.

Red and Yellow Soils

Presence of air and water in soil is best illustrated by red soil. Air and water help in rusting of iron content giving a red colour to the soil. These soils develop due to weathering of the crystalline igneous rocks in areas of low rainfall in the eastern and southern parts of the Deccan Plateau, Yellow and red soils cover areas of Odisha, Chhattisgarh, southern parts of the middle Ganga plain and the piedmont zone of the Western Ghats.

Laterite Soils

The Latin word 'later' means brick and it is this word that gives this soil its

name – **laterite soil**. This kind of soil is red in colour and composed of little clay and much gravel of red sandstones.

Laterite soil is intensively leached. It lacks in fertility. It develops in areas with high temperature and heavy rainfall. The humus content is low as most of the microorganisms, especially the decomposers, like bacteria, get destroyed because of high temperature.

The laterites are found in the hills of the Deccan, Karnataka, Kerala, Odisha, Madhya Pradesh, Tamil Nadu and hilly areas of Assam and Meghalaya. Tamil Nadu, Andhra Pradesh and Kerala have red laterite soil which is suitable for the growth of cashew nut. Laterite soils of Kerala, Tamil Nadu and Karnataka are the most appropriate for growing tea and coffee.

Arid Soils

These soils are generally sandy in texture and their colour ranges from red to brown. They are saline in nature and in some areas the salt content is very high. This kind of soil occurs in dry climate areas with high temperature, hence evaporation is faster and the soil becomes very dry. Arid soil is low in humus. Such soils have to be irrigated and ploughed deep in order to be cultivable. These kinds of soil improvement techniques have been successfully adopted in western Rajasthan.

Forest Soils

As the name indicates, this type of soil is found in the areas of rainforests in



Major Soil Types

the hilly and mountainous areas. Forest soils are not the same in all areas. Their texture varies according to the area they are found in. For example, soils in the lower parts of the valleys, especially on the river terraces and alluvial fans, are fertile. But in the snow covered areas of the Himalayas the soils are acidic with low humus content and are denuded. The valley sides have silty and loamy soil while the upper slopes have coarse grained soil.

SOIL EROSION

Removal of topsoil by running water and wind is known as **soil erosion**. It causes the maximum loss of soil fertility. The two common ways are sheet erosion and gully erosion.

(1) Sheet erosion : Sometimes during heavy rainfall the volume of run-off is very high. If the topsoil is not protected by sufficient plant cover, it is washed away by the force of surface run-off. This is known as sheet erosion.

(2) Gully erosion : When rain falls heavily over an uneven terrain, the run-off scoops out narrow and deep grooves. With time, these grooves or gullies grow in size and spread over a large area. This is known as gully erosion, leading to the formation of ravines or badlands. The Chambal Valley in Madhya Pradesh is a good example of gully erosion.

Soil erosion is caused by both physical and human factors. The physical factors include slope of the land, intensity of rainfall and velocity of the wind. The human factors that contribute to soil erosion are deforestation, overgrazing,

overuse of chemical fertilisers, over-irrigation, mining and unscientific farming methods.

SOIL CONSERVATION



Conservation of soil is important, as soil is a renewable natural resource, which supports life on earth. The two processes — soil formation and soil erosion — take place simultaneously. Normally, there is a balance between the two, but sometimes this balance is tilted due to human interferences (like deforestation, overgrazing, mining, constructions, etc.) and natural forces (such as glaciers, wind and water).

Conservation is an effort made by man to prevent soil erosion in order to retain the fertility of soil. Some of the measures taken for soil conservation are as below.

- **Afforestation :** Planting trees is a good method of conserving the soil. Protecting the areas under trees, also called afforestation, is another method. This means planting foliage in forest undergrowth areas. This works to encourage healthy soil and water absorption. Afforestation will reduce soil erosion as roots of trees and plants hold the soil.
- **Control of overgrazing :** Farmers can play an important role in conserving soil. This is especially true of farmers with animals that graze. Monitoring the areas that cows and other animals graze is important. This helps to prevent depletion of the soil. It also addresses

the issue of hoof damage, which can occur to the soil.

- **Terrace farming** : In hilly areas, terrace farming is taken up to hold up rainwater and stop soil erosion. Large terraces or steps are made on hills. Instead of rainwater flowing freely down the hillside, water stops on the level plain. This is a way to protect the soil from erosion. It is also a proven method to encourage growth from moist soil areas.



Terrace farming

- **Contour ploughing** : Ploughing along the lines does not let water run down the slopes. This technique involves ploughing along contours so that the furrows follow lines linking points of the same height. Such furrows also halt downward flow of water and thus reduce erosion.



Contour ploughing

- **Strip cropping** : In this type of cultivation, large fields are divided into strips. Grass in strips are left to grow between the crops either at right angles to the direction of the prevailing wind or following the natural contour of the terrain. Trees in rows are also planted to create shelter beds.



Strip cropping

- **Crop rotation** : Crop rotation is a process that works to conserve soil. It is achieved by planting and growing a series of different crops in the same soil. This process prevents overgrowth of pathogens and a lack of fertility in the soil, overall.
- **No-till farming** : No-till farming is an approach that allows crops to remain in place for a season. This keeps the soil from being left bare and unprotected.
- **Construction of small dams** : Dams are important resources when it comes to soil conservation. These structures work to prevent soil erosion. This is especially important in areas where rivers exist. Flooding of rivers has been the cause for

many instances of soil erosion. Dams offer additional protection. Conservation is done through efforts applied correctly. The broader goal

for these efforts leads into the future. Everyone working together can protect the soil and enhance its natural fertility benefits.

WATER RESOURCES



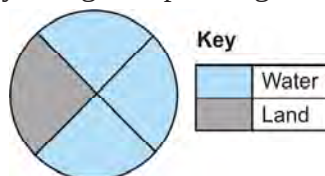
You see Rahul is very sensible. Water is the elixir of life. No living thing can exist without water. We require water in our daily life—to drink, cook, clean, etc. Water is also a necessity in factories, in fact, factories run on power supplied by the hydel power plants.

Thus, water is a life giver. But it can destroy too. Have you seen the flood reports on TV and newspapers which describe the havoc and destruction created by floods?

However, the importance of water for survival cannot be denied.

Can you guess why? Since time immemorial, settlements have developed along river valleys, springs, lakes, oasis and ponds.

Study the given pie diagram :



The diagram clearly indicates that in this circle three parts are full of water and just one part is land.

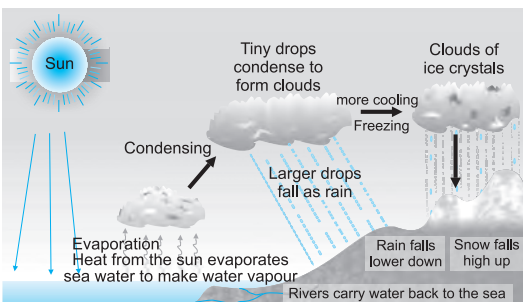
Similarly, three parts of our planet are covered with water and only one part is land. Water is in abundance on the earth — but only a small proportion of it is fresh-water which can be utilised by us.

SOURCES OF WATER

Water which is obtained from surface run off and



groundwater that is continually being renewed and recharged through the hydrological cycle is what we term as **freshwater**.



Hydrological cycle

It is predicted that by 2025 nearly two billion people will live in water scarcity.

It is clearly evident that all water moves within the hydrological cycle ensuring that it is a renewable resource. Then why are people all over the world facing water scarcity?

WHY WATER CONSERVATION AND MANAGEMENT?



Why does water scarcity happen? One obvious reason is the availability of water. Water shortage does occur in areas which receive less precipitation or



Need for water conservation

those areas which are prone to droughts. Which area in India do you think falls into this category? Variations in seasonal and annual precipitation may affect availability of water over time and space.

But availability is not the only cause of water scarcity. Excessive use, overutilisation and even unequal access to water among different social groups contribute equally towards this scarcity.

INTEGRATED WATER RESOURCES MANAGEMENT—MULTIPURPOSE RIVER PROJECTS



Water conservation and management has been practised since ancient times in our country. Archaeological and historical sources reveal that this tradition of water harvesting and management goes back to the Harappan Civilisation.



Dams help to harness river water.

What is a Dam?

A dam is a reservoir, lake or impoundment created by a barrier built across the flowing water. This barrier obstructs, retards or directs the flow of water. An important part of most dams



Drainage map of India showing lakes and river basins

is the weir or spillway. It is through this or over which water flows continuously or intermittently.

A dam has its origin in its usefulness of impounding rivers and harvesting

rainwater. This collected water is later used to irrigate agricultural lands. Today, dams are meant to tackle various problems associated with river valleys in an integrated manner and not just

irrigation. Dams today are constructed to control floods, check soil erosion, provide water for irrigation and drinking purposes, generate electricity, provide recreation, provide inland navigation and several other facilities such as preservation of wildlife and development

of fisheries.

Dams are now referred to as multi-purpose projects as the uses of the impounded water are in integration with one another. This can easily be deciphered from the given table.

SOME MULTIPURPOSE PROJECTS OF INDIA			
Name of Project	River	Beneficiary States	Uses of the Multipurpose Project
Damodar Valley	Damodar	Jharkhand, West Bengal	flood control, irrigation, generation and distribution of electricity
Bhakra Nangal	Satluj	Punjab, Haryana, Rajasthan	hydel power production, irrigation
Hirakud	Mahanadi	Odisha	conservation of water, flood control
Kosi	Kosi	Bihar	soil conservation, flood control
Chambal Valley	Chambal	Madhya Pradesh, Rajasthan	irrigation, generation of hydro-electricity, soil conservation.
Tungabhadra	Tungabhadra	Karnataka, Andhra Pradesh	irrigation and flood control
Nagarjuna Sagar	Krishna	Andhra Pradesh	irrigation
Narmada Valley	Narmada	Madhya Pradesh, Gujarat, Rajasthan	irrigation, drinking water supply, power generation
Indira Gandhi Canal (Rajasthan Canal)	Beas, Satluj	Punjab, Haryana, Rajasthan	irrigation

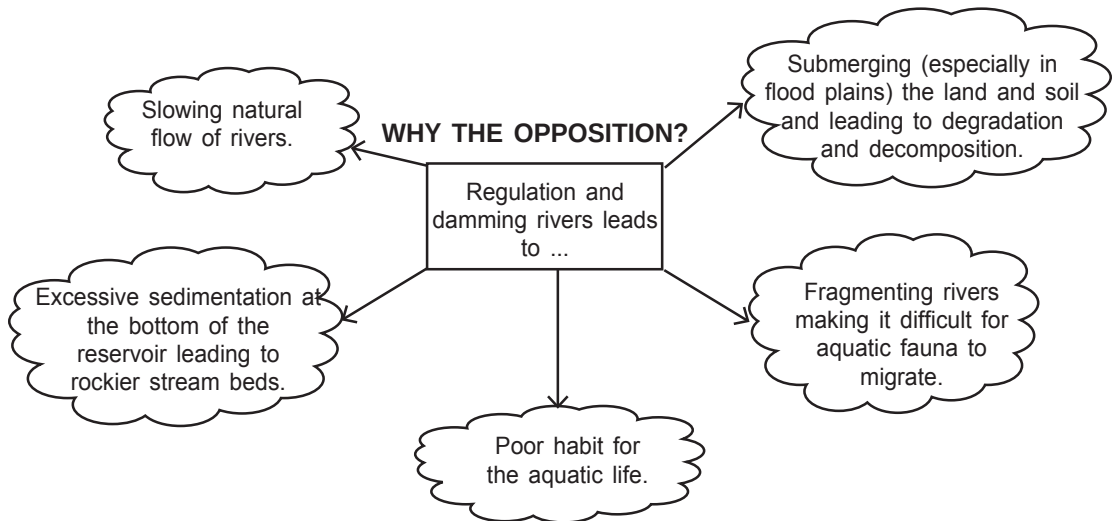
Important multipurpose projects

After independence, India initiated planned development of economic activities to achieve self-reliance and improve the standard of living of its people. Jawaharlal Nehru proudly called these multipurpose river valley projects

“The Temples of Modern India”, as these projects were a unique blend and integration of development of agriculture and village economy with industrialisation and development of the urban economy.

In recent years, environmental groups the world over have raised many objections about the utility of these projects. Multipurpose projects and large dams have come under great scrutiny and opposition. Many such projects

have been the cause of new social movements. These social movements have opposed large dams due to the fact that local communities have been displaced and rooted out of their original settlement areas.



Opposition to dams

They no longer have access and control over the natural resources endowed to them. In addition, they often have to give up their land and livelihood in the interest of a larger population. The “Narmada Bachao Andolan” and the “Tehri Dam Andolan” are two prominent examples of such social movements.

The activities of the Narmada Bachao Andolan (NBA) in the late 1980s and 1990s brought worldwide attention to the plight of dam oustees from the area of the Sardar Sarovar Dam across the Narmada river. They are spread over the states of Gujarat, Maharashtra and Madhya Pradesh and number more than two lakhs.

Dams have also been a potent cause in creating conflicts between people wanting to avail benefits from the same water resources. A relevant example which can be quoted here is of the Sabarmati-basin farmers (Gujarat). These farmers protested against the quantity of water supplied to urban areas, especially during drought as against that supplied to the rural areas.

Many objections have been raised regarding the multipurpose projects.

- Sedimentation in the reservoir has
 - caused floods. Ironically, these dams were constructed to control floods.
 - caused land degradation. The

flood plains were deprived of silt which is a natural fertiliser.

- It is supposed that these projects could induce earthquakes, water-borne diseases, pest and pollution of water due to excessive use.
- During the flood situation in Gujarat and Maharashtra (2006), these large dams, instead of controlling floods, aggravated the situation by releasing water from the dams during heavy rainfall.



Water disputes arising among states are also becoming common. These disputes usually arise due to the problem of sharing the costs and benefits of the multipurpose project.

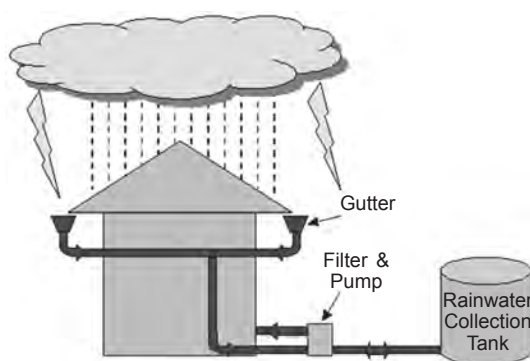
RAINWATER HARVESTING

Rainwater harvesting is done for two reasons :

1. Storing rainwater in containers above or below the ground.
2. Water is charged into aquifer for withdrawal later.

Local ecological conditions and water needs are taken into consideration before adopting a technique.

With the various constraints on the development of multipurpose projects many people feel that the system of water harvesting has a bright future as a socio-economically and environmentally viable alternative.



Rooftop rainwater harvesting

Rainwater harvesting, as a method of utilising rainwater for domestic and agricultural use, is already extensively used throughout the world. It has become a widely accepted technique of providing potable water in development

projects all over the world. It has wide application also in urban and semi-urban areas where the reliability and quality of piped water is increasingly being questioned.

All you require for rainwater harvesting is rain and a place to collect it. You can direct water run off from this surface to plants, trees or lawns or even to the aquifer.

Rainwater harvesting –

- increases water availability;
- checks the declining water table;
- is environment friendly;
- improves the quality of groundwater through the dilution of fluoride, nitrate and salinity;
- prevents soil erosion and flooding especially in urban areas.

Once Cherrapunji was famous because it received the highest rainfall in the world. Ironically today, this area faces water shortage. This is a consequence of extensive deforestation and no efforts towards rainwater harvesting. Due to excessive water run-off the area has suffered large-scale soil erosion and large stretches of hillsides are now devoid of greenery.

These days rooftop rainwater harvesting has become a common practice in various regions of Meghalaya. Almost all houses, especially in Shillong, have a rooftop rainwater harvesting system and roughly 15–25 per cent of the total water requirement of the household comes from rooftop water harvesting.

WHAT IS A MINERAL?

A mineral is a naturally occurring solid having a crystal structure and a definite chemical composition. Minerals are distributed all over the earth's crust and are excavated for a variety of uses, including construction, manufacture of various products and as a fuel source.

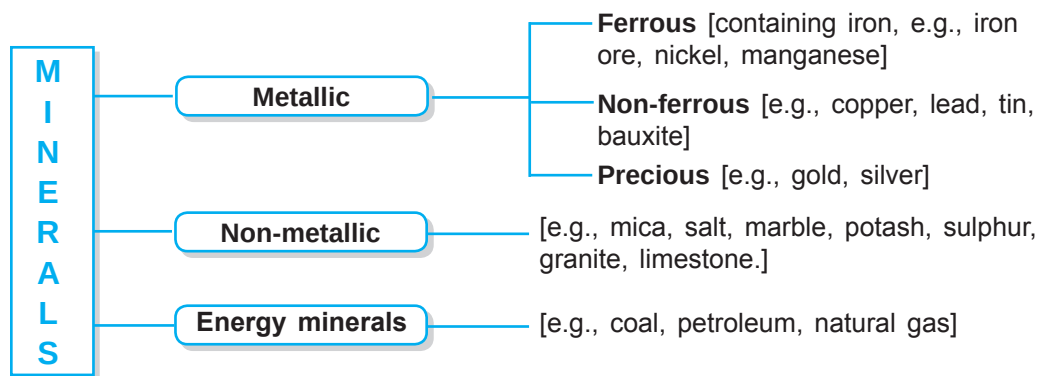
Rocks are combinations of these minerals. Some rocks, e.g., limestone, consist of a single mineral only, but most of the rocks consist of many minerals in varying proportions. In nature most minerals are present as ores or compounds, but a very small number of minerals consist of a single element. Over 2000 minerals have been identified



but only a few are largely found in most rocks. Silicates, compounds of silicon and oxygen, are the most commonly occurring minerals because silica is the most abundant element in the earth's crust.

Minerals have different appearances too. These occur in various forms ranging from diamonds which is the hardest mineral to talc, the softest mineral. They exist in a wide range of colours, hardness, crystal forms, lustre and density. This happens because all minerals are formed from a certain combination of elements which depends upon the chemical and physical conditions under which the mineral forms. Geologists use these properties to categorise minerals.

For commercial purposes minerals can be classified as below :



Extraction of minerals in India is possible only after the government grants permission as most of the minerals are nationalised. But in north-east India minerals are an individual or community property. Mining, especially coal mining, is controlled by small-scale ventures. In Cherrapunji and Jowai coal mining is done through the process known as rat

hole mining. In this, the hole has a 1 m opening along which the miners crawl and excavate coal. These mines go as deep as 50–100 m in length from the opening. The coal is brought out in small wooden barrows and then shifted to the roadside to be loaded into trucks. Meghalaya has rich deposits of iron ore, limestone, dolomite and coal.

The vast geographical extent of India with varied geological structures have contributed to the presence of rich and different varieties of mineral resources in India.

Implementation and maintenance of environmental norms and strict guidelines for safety regulations can maintain safety in mines and save mining from being labelled as a ‘killer industry’.

What factors affect the economic viability of a mineral?

There are three factors that affect the economic viability of a mineral. They are :

1. Ease of extraction.
2. Closeness to the market.
3. Concentration of mineral in the ore.

The mineral deposit has to be mined. The kind of mining operation required has to be carefully selected from among the number of possible operations.

Minerals are classified in many ways. Generally minerals are classified into two categories — metallic and non-metallic. Metallic minerals are further subdivided into ferrous and non-ferrous. We shall now discuss the distribution pattern of some of the minerals found in India.

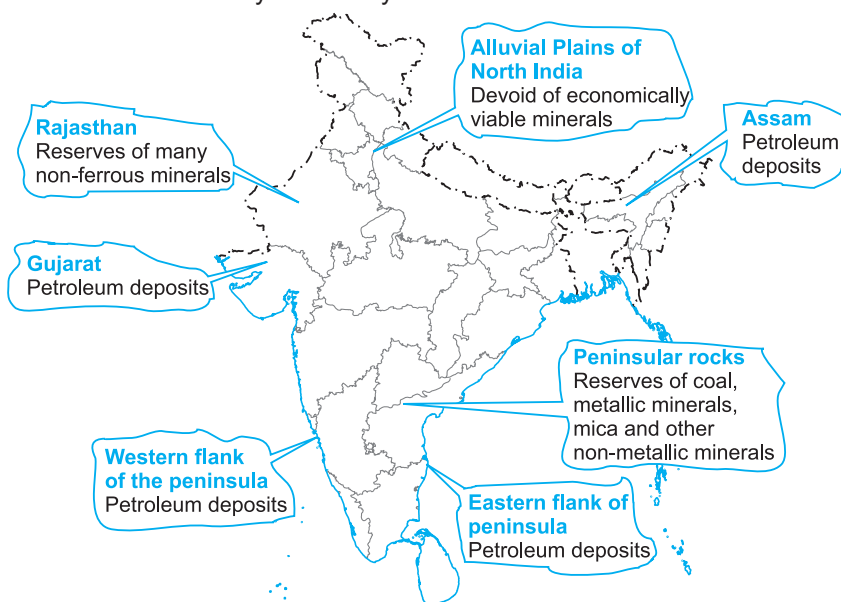
The variations in mineral deposits exist because of the following reasons :

- differences in geological structure
- processes involved in formation
- time taken for formation.

Minerals are natural chemical compounds, uniform in composition and structure, and constituents of rocks and ores. They are formed through various geological processes taking place in the earth.

The following diagram shows the distribution of minerals in India.

India — A country with fairly rich and varied mineral resources.



Distribution of minerals in India

1. **Metallic minerals** : Metallic minerals are homogenous ore of one kind of metal such as iron, copper and gold. These usually originate from igneous rocks. They have a shine of their own.
2. **Non-metallic minerals** : Metals that do not contain metallic elements are called non-metallic minerals. For example, mica, quartz, gypsum, diamond, etc. These, do not have a shine of their own. They are mainly formed in igneous rocks.

Ferrous Minerals

These minerals are very important for the development of metallurgical industries as they contain iron. Out of the total value of production of metallic minerals, ferrous minerals cover three-fourths of the total production. India produces enough ferrous minerals to satisfy the domestic demands and also enough for export.

Non-Ferrous Minerals

These are minerals that contain metals other than iron. These minerals which include copper, bauxite, gold, zinc and lead have a very important role to play in metallurgical, engineering and electrical industries.

The reserves of non-ferrous minerals in India is not very satisfactory. Hence the production of non-ferrous minerals is insufficient.

CONSERVATION OF MINERALS

Industry and agriculture are largely dependent upon mineral

deposits and the goods manufactured from them.

The term ‘conservation’ came into use in the late 19th century and referred to the management, mainly for economic reasons, of such valuable natural resources as timber, fish, topsoil, pastureland and minerals, and also the preservation of wildlife, forest, parkland wilderness and watershed areas.

Conservation of natural resources is now a conception of conserving the earth itself by protecting its capacity for self renewal. The problems of non-renewable resources such as minerals, oil and coal are particularly complex problems of the day.

The earth’s crust contains mineral deposits which amount to an insignificant fraction of its crust, i.e., these deposits amount to only 1 per cent of the earth’s crust. This 1 per cent is being rapidly consumed by us without a thought to the fact that these mineral resources require millions of years to be created and concentrated. Supplies are running out. In addition, burning fossil fuels has caused extensive damage to the planet.

Think, every time you throw away a used can or paper, you are creating a situation whereby manufacturers are forced to make new products. By limiting our use of minerals we are allowing the earth to renew its supply and make them last for future generations.

Though all sources of energy ultimately come from natural processes, non-renewable resources cannot be



replaced naturally at the rate they are being used. Mineral resources can be said to be finite and non-renewable. Hence, we must remember that though our country is rich in mineral deposits these resources are short-lived. Extraction of these ores through the process of mining will soon become difficult and very expensive because these minerals have to be mined from greater depths every time. This increases time and cost of mining and once these resources are used up they cannot be replaced.

The wise use of natural resources in a manner that provides the maximum benefit of these resources to humans over a period of time can be termed as conservation. The principle of conservation includes the sustainable use of natural resources for economic purposes as well as the preservation and maintenance of

natural resources which have aesthetic or cultural value.

Certain measures to be adopted for conservation of minerals are —

- use of minerals in planned and sustainable manner.
- evolving of improved technology to use low grade ore at low cost.
- recycling of metals.
- using substitutes and scrap metals.

The idea of conservation is not new but has increased greatly over the last century. Conservation today has become a global concern and even organisations and citizens throughout the world have become involved in conservation efforts. They are working to increase awareness of the importance of the conservation of natural resources—the awareness being focussed on such areas such as reduce, recycle and reuse.

POINTS TO REMEMBER

- All elements of the environment necessary or useful for survival on earth are considered as resources.
- Conservation of resources means using resources efficiently for the present need without harming future prospects.
- Resource planning is needed for the proper use and utilization of resources. Overuse and exploitation of resources have created many problems.
- Land resource is very important as settlements, agriculture, setting up industries, transport and communication, etc. depend on the availability of land.
- Land degradation is caused due to faulty human activities, e.g., deforestation, poor land management and practices.
- All life on Earth has originated from water. Water is a very important for humans, animals and plants. We have to manage it better.
- Management is a natural occurring solid having a crystal structure and a definite chemical composition.
- Conservation of natural resources, including mineral resources, so that we can get the maximum benefits from them is termed as conservation.

IMPORTANT TERMS

- o **resource** : All elements of the environment that are necessary or useful for survival on earth can be considered as resource.
- o **biotic resources** : These are resources that have been obtained from the biosphere.
- o **abiotic resources** : These resources are composed of non-living things.
- o **renewable resources** : These are resources that can be reproduced.
- o **non-renewable resources** : These resources take millions of years to form.
- o **resource planning** : This refers to the technique of a balanced utilisation of resources.
- o **degradation** : A decline to a lower condition, quality or level.
- o **effluent** : An outflow from a sewer or sewage system.
- o **conservation** : The protection, preservation and management of resources.
- o **ecological** : Of or relating to study of relation between organisms and their environment.
- o **rainwater harvesting** : Collecting rainwater for various uses.
- o **mineral** : A naturally occurring solid having a crystal structure and a definite chemical composition.
- o **geologist** : Specialist in geology, i.e., study of the nature, formation, origin and development of the earth.
- o **ferrous minerals** : Minerals that contain iron.
- o **non-ferrous minerals** : Minerals that contain metals other than iron.

EXERCISES

I. Multiple Choice Questions



1. Mr. Ayer wants to grow cashew nuts but is confused about which soil will be most suitable for cultivating this crop. Considering his needs, which soil type should Mr. Ayer opt for?
(a) Alluvial soil (b) Black soil
(c) Arid soil (d) Red Laterite soil
2. Farmers in a region are looking to enhance their crop yields by practising effective crop rotation. Which of the following benefits is a key reason for implementing crop rotation?
(a) Increasing soil erosion (b) Minimizing pest and disease buildup
(c) Reducing the need for irrigation (d) Promoting monoculture farming
3. What is land used for grazing cattle and livestock known as?
(a) Fallow (b) Pasture
(c) Barren (d) Sown
4. Water becomes a renewable and rechargeable resource due to which of the following reasons: **[HOTS]**

- (a) Water table
 - (b) Hydrological cycle
 - (c) Seas and oceans
 - (d) Surface run off
5. According to the late 19th-century usage of the term 'conservation', what was the primary focus of management in relation to natural resources?
- (a) Maximizing extraction of non-renewable resources.
 - (b) Ensuring economic profitability of resource utilization.
 - (c) Preserving the Earth's capacity for self-renewal.
 - (d) Prioritizing the preservation of wilderness areas.
6. Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.

Assertion (A): Unregulated deforestation can contribute significantly to land degradation.

Reason (R): Trees play a crucial role in stabilizing soil, preventing erosion, and maintaining ecological balance.

- (a) Both the Assertion (A) and Reason (R) are true, and the Reason is a correct explanation of the Assertion.
- (b) Both the Assertion and Reason are true, but the Reason is NOT a correct explanation of the Assertion.
- (c) The Assertion is true, but the Reason is false.
- (d) The Assertion is false, but the Reason is true

II. Very Short Answer Questions

1. What is a resource?
2. What is soil erosion?
3. What is a spillway or weir?
4. What are multipurpose projects?
5. Define the term 'mineral'.



CODE-XvS2

III. Short Answer Questions

1. Why is land a very important resource?
2. What is a Dam?
3. Define Sheet erosion.
4. Differentiate between ferrous minerals and non-ferrous minerals.



CODE-7ENR

IV. Long Answer Questions

1. Briefly explain the causes of soil erosion.
2. What is rainwater harvesting? State the benefits of rainwater harvesting.
3. What is resource planning? Why is it important?
4. Do you think conservation of resources is necessary? Why/Why not?
5. List the different types of soil in India. Discuss any one type of soil.



CODE-mEc

[HOTS]

6. Water is available in abundance in India even then scarcity of water is experienced in major parts of the country. Discuss why rainwater harvesting should be adopted.
7. Why should we conserve our mineral resources? Suggest measures to conserve mineral resources.

[HOTS]

V. Case Based Questions



Rainwater harvesting is a sustainable and innovative approach to addressing water scarcity challenges in various regions. It involves the collection and storage of rainwater from rooftops, surfaces, and landscapes, which is then utilized for various purposes, such as irrigation, domestic use, and groundwater recharge. This practice not only conserves valuable water resources but also helps mitigate the adverse effects of urbanization, such as flooding and erosion. Rainwater harvesting systems typically include components like collection surfaces, gutters, storage tanks, filtration systems, and distribution networks. By harnessing the power of nature's gift, rainwater harvesting promotes water self-sufficiency, reduces pressure on existing water sources, and contributes to a more sustainable and environmentally conscious future.

1. What is rainwater harvesting?
2. How does it contribute to addressing water scarcity challenges in different regions?
3. List three purposes for which harvested rainwater can be utilized.
4. Name two adverse effects of urbanization that rainwater harvesting can help mitigate.

THINGS TO DO

PROJECT WORK



You must have read in newspapers about accidents occurring in mines. Collect newspaper cuttings on the topic.

Find out about the diseases and risks faced by the miners. Suggest measures to prevent mining from becoming a 'killer industry'. Prepare a report on the topic 'Hazards of Mining'.

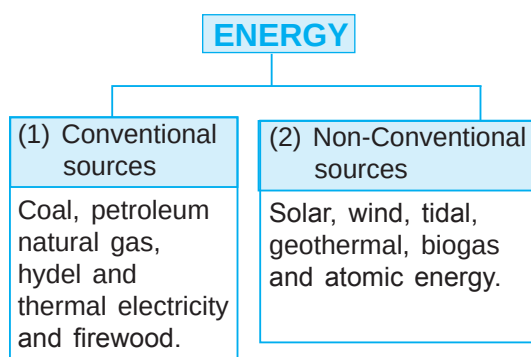
6

Power Resources

POWER RESOURCES

The capacity for doing work or a force that produces an activity is known as energy. Humans use a variety of energy sources to do work, including chemical energy (fossil fuels and wood), geothermal energy, tidal power, hydroelectric power, nuclear energy, solar energy and wind power.

Two traditional sources of energy used in rural India are firewood and cow dung cake. It is estimated that these two sources provide 70 per cent of the energy required in the rural households. Decreasing forest area and requirement of dung for manures have generated need for other energy sources in the villages.



Energy is needed to provide light and heat, to propel vehicles, and to make machines work. Energy resources can be classified as—

1. Conventional sources of energy

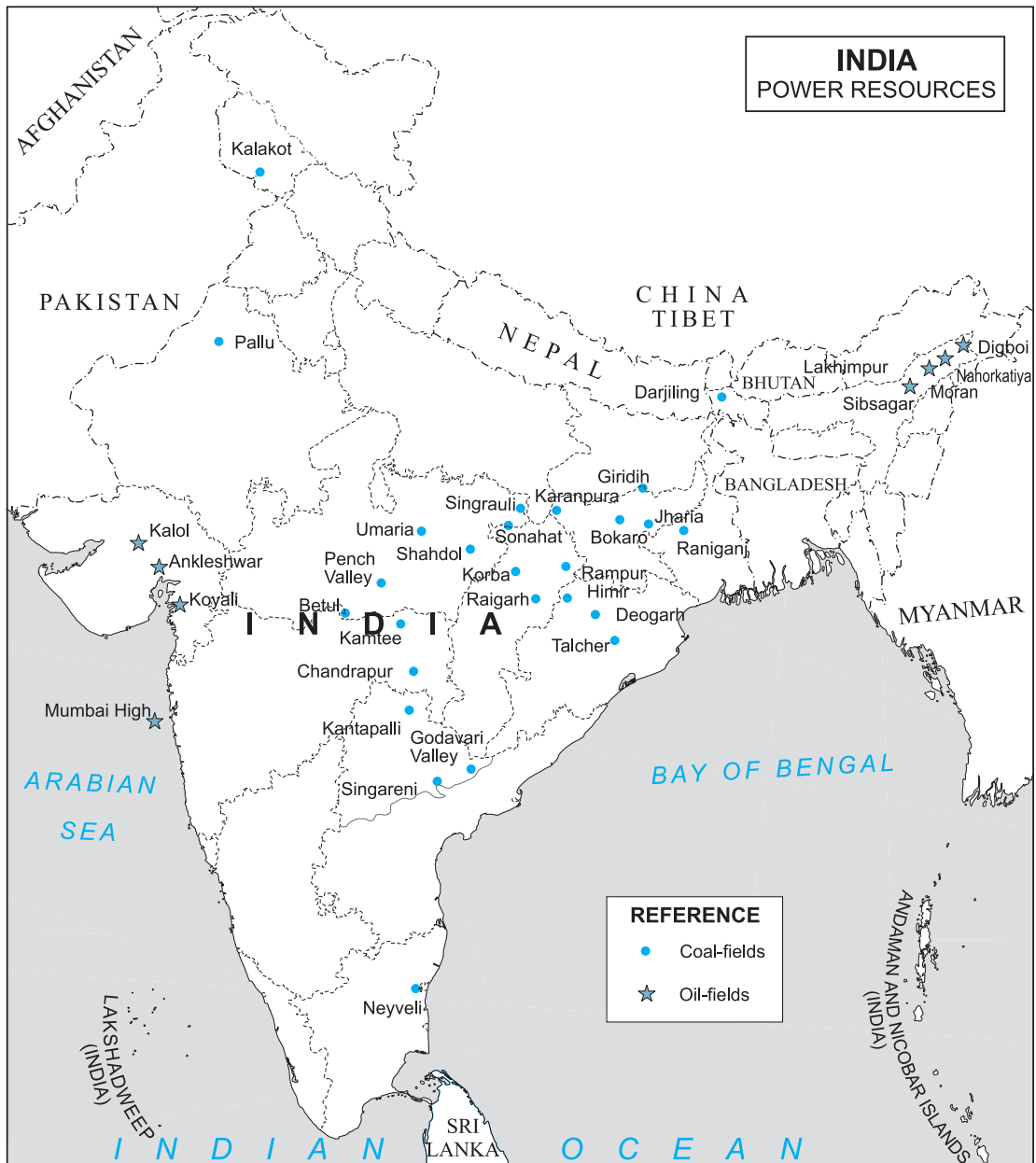
Coal — Coal is created from decaying plant materials compressed over millions of years to form a solid mass of almost pure carbon. It is the world's most abundant fossil fuel. This fossil fuel is found in a variety of forms depending on the degree of compression and the depth and time of burial.

The formation of peat was the first step in the coal-making process. Over time, the peat was compacted beneath other deposits. Water was squeezed out of the peat and methane was expelled into the atmosphere. Over thousands of years continued burial and compression caused the peat to change into different grades of coal—lignite, bituminous and anthracite.

One-third of the energy used throughout the world comes from coal. In addition to supplying fuel, coal is used in the production of many chemical products, including medicines and pesticides. India is highly dependent upon coal for meeting its commercial energy requirements, e.g., power generation and supplying energy to industries as well as for domestic needs. Coal India Limited (CIL) has been directed to achieve 1BT coal production by 2023-24 with a required compound average growth rate of 10.95%.

Coal is a heavy and bulky material but after use (i.e., burning) it becomes ash. Hence, if heavy industries or thermal power stations are located on or near the coal fields the cost and

problems of transportation of this fuel becomes almost negligible. It is because of this reason that heavy industries and thermal power stations are located in or near the coalfields.



India — Oil fields and coal fields

Petroleum — This is liquid fossil fuel. Wells are dug or drilled on land or offshore to bring oil to the surface. This crude oil is transported to refineries where it is changed into petrol and petrochemicals. On account of the various by-products obtained during the refining process, petroleum refineries serve as ‘nodal industry’ for chemical, fertiliser and synthetic textile industries. It provides fuel for heating, lighting, running machineries and vehicles, lubricants for machineries and raw materials for manufacturing different products such as plastics, chemicals, etc.

This fuel is obtained from sedimentary rocks. It emits very little smoke, leaves no ash and can be used to the last drop. The demand for petroleum and petroleum products has increased in recent years.

In percentage, Mumbai High produces 63 per cent, Assam 16 per cent and Gujarat 18 per cent of the total petroleum production in India. Some oil is also found in Tamil Nadu, Arunachal Pradesh and Andhra Pradesh. India produced 29178.56 TMT of crude Petroleum in 2022–23.

Fault traps between porous and non-porous rocks also contain petroleum. Gas occurs above the oil as it is lighter.

Most of the petroleum that occurs in India is connected to anticlines and fault traps in the rock formations of the Tertiary Age. This fuel occurs in the crest of the folds of regions of folding, anticlines or domes. The layer that contains oil is porous (either limestone or sandstone) and oil flows through it. This oil cannot sink or rise up as it is

prevented from doing so by intervening non-porous layers.

In western India, Mumbai High, Bassein and Aliabet are important offshore oil fields. In Gujarat, important oil fields are in Ankleshwar near Vadodara. This oil is refined at Trombay and Koyali. Lunej and Kalol oil fields are located near Ahmedabad.

Assam, in north-eastern India, is the oldest oil producing state of India. It has three important oil fields — Naharkatiya, Moran-Hugrijan and Digboi. Oil from these fields is refined at Digboi, Numaligarh, Guwahati and Bongaigaon in Assam and Barauni in Bihar. There are 18 oil refineries in the country.

Natural Gas — Natural gas is a clean energy resource found associated with or without petroleum. Natural gas can be extracted easily by drilling wells. One advantage of natural gas is that it does not require processing, as do coal and oil. After being cleared of impurities, natural gas is ready for the consumer. While burning it does produce carbon dioxide and it burns hotter and clearer than other fossil fuels. It is also cheaper. Natural gas is also used to generate electricity. While natural gas has many advantages it does have a big problem—it is limited.

This fuel is used as a source of energy as well as an industrial raw material in the petrochemical industry.

India produced about 34450.27 Million Metric Standard Cubic Metres (MMSCM) of natural gas in 2022-23. More than 3/4th of the production comes

from Mumbai High, 10 per cent from Gujarat, 7 per cent from Assam and the remaining from Andhra Pradesh, Tamil Nadu, Tripura and Rajasthan.

Large reserves of natural gas have been discovered in Krishna-Godavari Basin and Gulf of Cambay. Andaman and Nicobar Islands also have reserves of natural gas. Power and fertiliser industries are the key users of natural gas. Gas pipelines have proved to be an artery and have provided an impetus to India's gas production. An important cross country gas pipeline is the 1700 km long Hazira-Bijapur-Jagdishpur pipeline which links Mumbai High and Bassein with the fertiliser, power and industrial regions of western and northern India.

The gas supplied for use in households is called LPG (liquified petroleum gas)

and that used for running vehicles is called CNG (compressed natural gas). These two gases have gained great popularity in the country.

Electricity — Electricity is an important requirement for the progress and prosperity of a nation. Electricity has varied uses in today's world and its consumption is considered as an index of development. Hydro electricity and thermal electricity are the two main types of electrical energy. Details about which is given in the chart below.

Fact File

During the fiscal year 2022–23, the total electricity generation in India was 1,844 TWh. The gross electricity consumption per capita in fiscal year 2023 was 1,327 KWh.

Electricity can be generated in two ways

Hydro-electricity	Thermal electricity
Generated by fast flowing water.	Generated by using coal, petroleum and natural gas to drive turbines and produce thermal power.
Renewable resource is used to produce this electricity.	Non-renewable fossil fuel is used to produce this electricity.
Multipurpose projects like the Bhakra Nangal, Damodar Valley Corporation, Kopili Hydel Project, etc., produce this kind of electricity.	There are over 310 thermal power plants in India, e.g., Loktak, Santhaldih, Talcher, Neyveli, Ukai, Dhuvaram, etc.

Nuclear or Atomic Energy

- This is produced from uranium and thorium which is available in Jharkhand and in the Aravali range of Rajasthan.
- The monazite sands of Kerala are also rich in thorium deposits. India is rich in thorium deposits.
- This kind of electricity is obtained by changing the structure of atoms. When this happens, energy is released in the form of heat which is utilised to generate electric power.
- India has six nuclear power stations—

- (i) Tarapur (Maharashtra)
- (ii) Kalpakkam (Tamil Nadu)
- (iii) Rawatbhata (Rajasthan)
- (iv) Narora (Uttar Pradesh)
- (v) Kakrapara (Gujarat) and

- (vi) Kaiga (Karnataka).

2. Non-Conventional Sources of Energy

The Industrial Revolution of the 18th century ushered in new technologies.



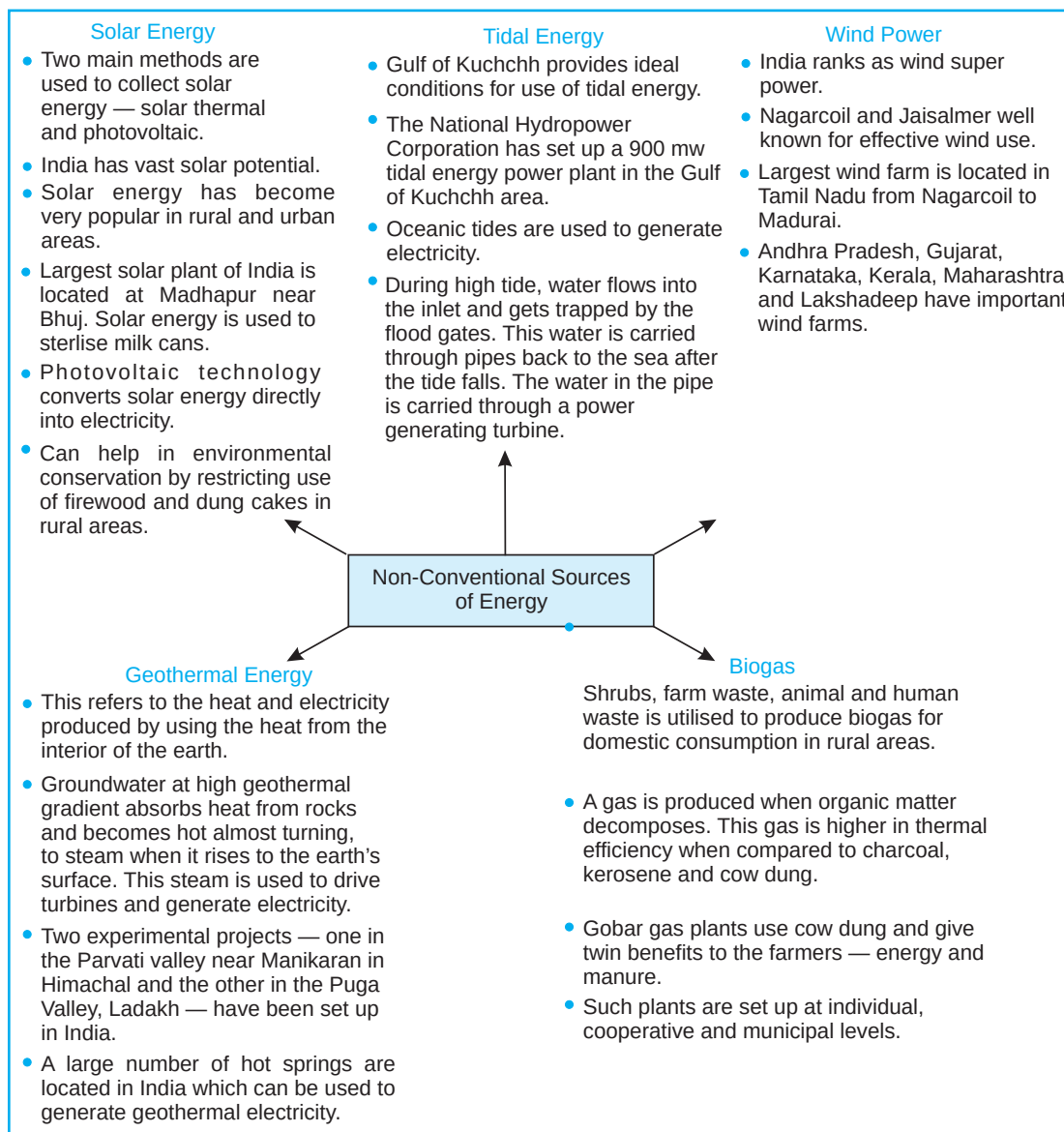
India — Nuclear and thermal power plants

The spurt of inventions in that century was unprecedented in many ways. Some of these inventions required the use of natural resources such as coal and oil. The thought of exhaustible nature of these resources and the environmental damage from the use of these resources

never occurred to anyone — inventors or the subsequent generations. Today it has become imperative to look at the energy technology with a new perspective.

Rising prices of oil and gas and their shortage in future has brought to light certain uncertainties about the security

Non-Conventional Sources of Energy



of energy supplies in future. This in turn could have serious effects on the growth of the national economy. We must turn our attention towards the abundant renewable resources such as wind, sun, tide and biomass that are available easily and in large quantities. These sources of energy are pollution free and are clear energy apart from being unlimited and inexhaustible. India is endowed with large amounts of sustainable resource base and even has non-conventional energy technologies.

CONSERVATION OF ENERGY RESOURCES

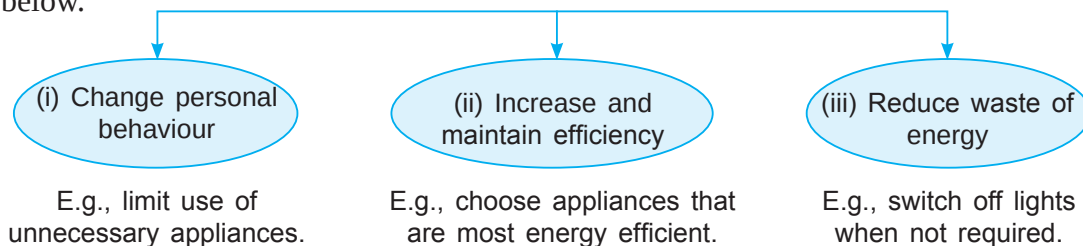


The growing consumption of energy has resulted in the country becoming increasingly dependent on fossil fuels such as coal, oil and gas. Rising prices of oil and gas and their potential shortages have raised uncertainties about the security of energy supply in future, which

in turn has serious repercussions on the growth of the national economy. Moreover, increasing use of fossil fuels also causes serious environmental problems. Hence, there is a pressing need to use renewable energy sources like solar energy, wind, tide, biomass and energy from waste material. These are called non-conventional energy sources.

‘Energy saved is energy produced’—all of us should remember this. India is one of the least energy efficient country in the world. There is great need to plan and adopt a cautious approach to deal with our limited resources. We need to develop a sustainable path of energy development and energy consumption. Two important factors that need to be targeted are promotion of energy conservation and popularising the use of renewable energy sources.

The success of any conservation measure encompasses three elements as shown below.



POINTS TO REMEMBER

- Energy is needed to provide light and heat, to propel vehicles, and to make machines work.
- One-third of the energy used in the world comes from coal.
- Petroleum refineries serve as ‘nodal industry’ for other industries like chemical, fertilisers, etc.

- Natural gas is a clean energy resource found associated with or without petroleum.
- Electricity consumption is considered as an index of industrial development.
- It has become essential to look for non-conventional sources of energy.
- There is the need to develop a sustainable path of energy development and consumption.

IMPORTANT TERMS

- o **conventional sources** : These energy sources have been in use since a long time, e.g., coal, petroleum, etc. Such sources are non-renewable, limited, create pollution and are not eco-friendly.
- o **non-conventional sources** : Sources of energy which are new, e.g., wind, sun, etc. These sources are abundant and eco-friendly.
- o **hydro-electricity** : Electricity generated by fast flowing water.
- o **thermal electricity** : Electricity generated by using coal, petroleum, natural gas to drive turbines and produce thermal power.

EXERCISES

I. Multiple Choice Questions

1. "In a world increasingly concerned about environmental impact, communities are seeking ways to diversify their energy sources. What is a promising method of energy production that harnesses natural processes and reduces reliance on traditional fossil fuels?"
 - (a) Accelerated drilling for more oil reserves
 - (b) Expansion of coal-based power plants
 - (c) Deployment of nuclear power plants
 - (d) Utilization of non-conventional sources like geothermal and biomass energy
2. In rural households, cow dung and firewood are frequently employed as energy sources. What primary purpose do these traditional energy sources serve in meeting the energy needs of rural communities?
 - (a) To accelerate the shift towards modern energy infrastructure.
 - (b) To minimize the dependency on renewable energy sources.
 - (c) To contribute to environmental degradation in rural areas.
 - (d) To fulfill energy requirements due to their accessibility and ease of use.
3. Which of the following is the most abundantly available fossil fuel in India? **[HOTS]**
 - (a) Petroleum
 - (b) Coal
 - (c) Firewood
 - (d) Biogas
4. **Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.**



Assertion (A): Natural gas is considered a cleaner-burning fossil fuel compared to coal and oil.

Reason (R): Natural gas releases fewer greenhouse gases and pollutants when burned, leading to lower environmental impacts.

- (a) Both the Assertion and Reason are true, and the Reason is a correct explanation of the Assertion.
- (b) Both the Assertion and Reason are true, but the Reason is NOT a correct explanation of the Assertion.
- (c) The Assertion is true, but the Reason is false.
- (d) The Assertion is false, but the Reason is true.

II. Very Short Answer Questions

- 1. Where is the largest solar power plant located in India?
- 2. What is biogas?



III. Short Answer Questions

- 1. Why are thermal power plants located near coalfields?
- 2. Why are petroleum refineries termed as 'nodal industries'?

[HOTS]



IV. Long Answer Questions

- 1. What is natural gas? Where is it extracted in India?
- 2. Distinguish between hydro-electricity and thermal electricity.
- 3. 'Biogas is considered as an ideal domestic fuel.' Give four reasons in support of the statement.
- 4. Differentiate between conventional and non-conventional sources of energy.
- 5. How is petroleum an important source of both energy and raw material? [HOTS]



TYPES OF AGRICULTURE



In many developing countries including India, agriculture still remains the primary occupation of the people. Agriculture in India is the means of livelihood of almost 70 per cent of the workforce in the country. It has, since ancient times, been India's most important economic sector.

India is an agricultural country. Two-thirds of its population is engaged in agricultural activities. Besides producing food grains, agriculture is also a source for raw material required for industries. Hence, we can say that agriculture has been a potent factor in promoting industrialisation at a global level. In

Agriculture is the process of producing food, seed, fibre and other goods by the systematic raising of plants and animals. The history of agriculture is closely linked to human history and agricultural developments have been crucial factors in social change, including the specialisation of human activity.

addition, some agricultural products like tea, coffee, spices, etc., are exported and foreign exchange earned for the country.

Agriculture is the oldest human activity. It was agriculture that brought man out of forest. Over the years cultivation method have changed significantly. These changes have been influenced by physical, environmental and technological know how and socio-cultural practices. There are different types of farming.

FARMING TYPE	METHODS	CROPS GROWN
Primitive subsistence is also known as slash and burn farming. It is known by different names even in India : Bewar or Dahiya in Madhya Pradesh, Podu or Penda in Andhra Pradesh, Kumari in Western Ghats, Valre or Waltre in south-east Rajasthan, Khil in the Himalayan belt, Kuruwa in Jharkhand, Pama Dabi, Koman or Bringa in Odisha, Dipa in Bastar district of Chhattisgarh and Andaman Nicobar Islands, Jhumming in Assam, Meghalaya, Tripura, Mizoram and Nagaland.	Farmers clear, slash and burn a small piece of land and grow on it cereals and other food crops to sustain themselves. The entire family or community work on the land. Primitive tools such as hoe, digging sticks and dao are used. No fertilisers or manure is used and hence the land productivity is low. Primitive subsistence depends upon monsoon, natural fertility of the soil and suitability of the other environmental conditions.	Cereals and other food crops. Tuber crops like yams and cassava and sweet potatoes.

These types vary from subsistence to commercial types. The type of farming practised depends on two factors —

1. PHYSICAL	2. HUMAN
● relief ● climate ● location	● cultural background of people ● availability of irrigation ● agricultural practices

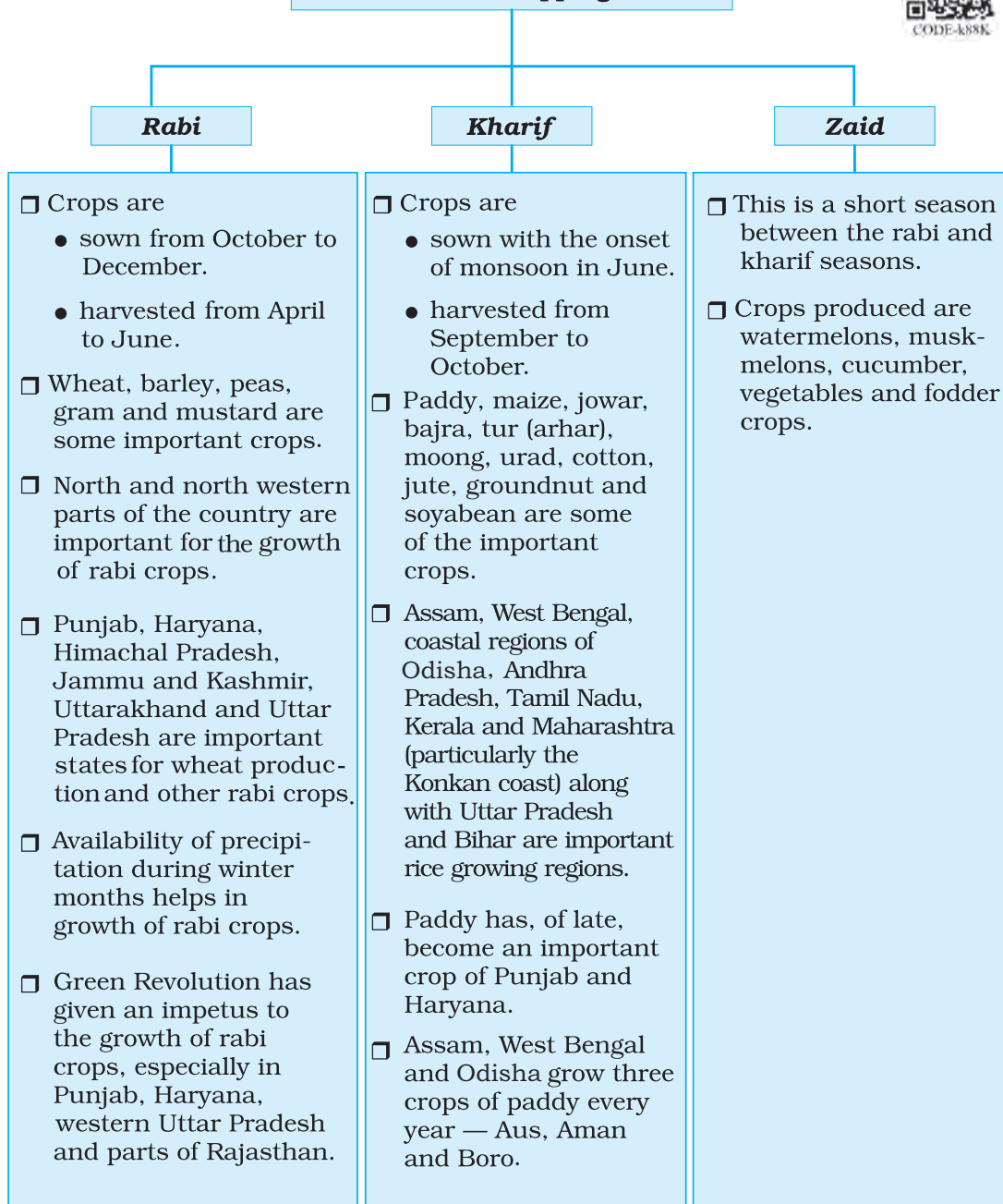
FARMING TYPE	METHODS	CROPS GROWN
Intensive Subsistence Farming	It is a labour intensive farming method. It uses high doses of biochemical inputs and irrigation to obtain higher production. It is characterised by very small farm holdings. There is enormous pressure on agricultural land. This is a consequence of the 'Right of Inheritance', which has led to the division of land among successors. The successors are solely dependent on land for their livelihood and hence the pressure. In recent years, in some countries, governments have emphasised the importance of consolidation of landholdings. In this type of agriculture every bit of cultivable land is used. Where there is inadequate water, irrigation is used and where the land is hilly, terraces are made. In many areas, swamps have been drained for cultivation of paddy.	Chief crops are paddy, and (in drier areas) sugarcane, soyabean, sorghum, wheat, vegetables, etc.

FARMING TYPE	METHODS	CROPS GROWN
Commercial Farming	This type of farming uses technology high yielding variety (HYV) seeds, chemical fertilisers, insecticides and pesticides in order to obtain higher productivity and production. Plantation is also a type of commercial farming. In this kind of farming a single crop is grown in a large area. Commercial farming is a legacy of colonialism, adapted to local conditions. This type of agriculture is characterised by — ● cultivation of cash crops for the export market. ● crops grown on large tracts of land. ● uses capital intensive inputs. ● migrant labours employed for work. ● most of the produce is used as raw material for industries and hence an efficient network system of communication and transport exists which connects the production areas to industries and markets. This is important for the development of plantations.	Wheat, rice, tea, coffee, rubber, sugarcane, bamboo and banana. Banana plantations are found in southern India. Tea is grown in Assam, north Bengal and coffee in the Nilgiri hills, Karnataka and spices in Kerala, bamboo in northeast. Rice is a commercial crop in Punjab and Haryana.

CROPPING PATTERN



India has three cropping seasons.

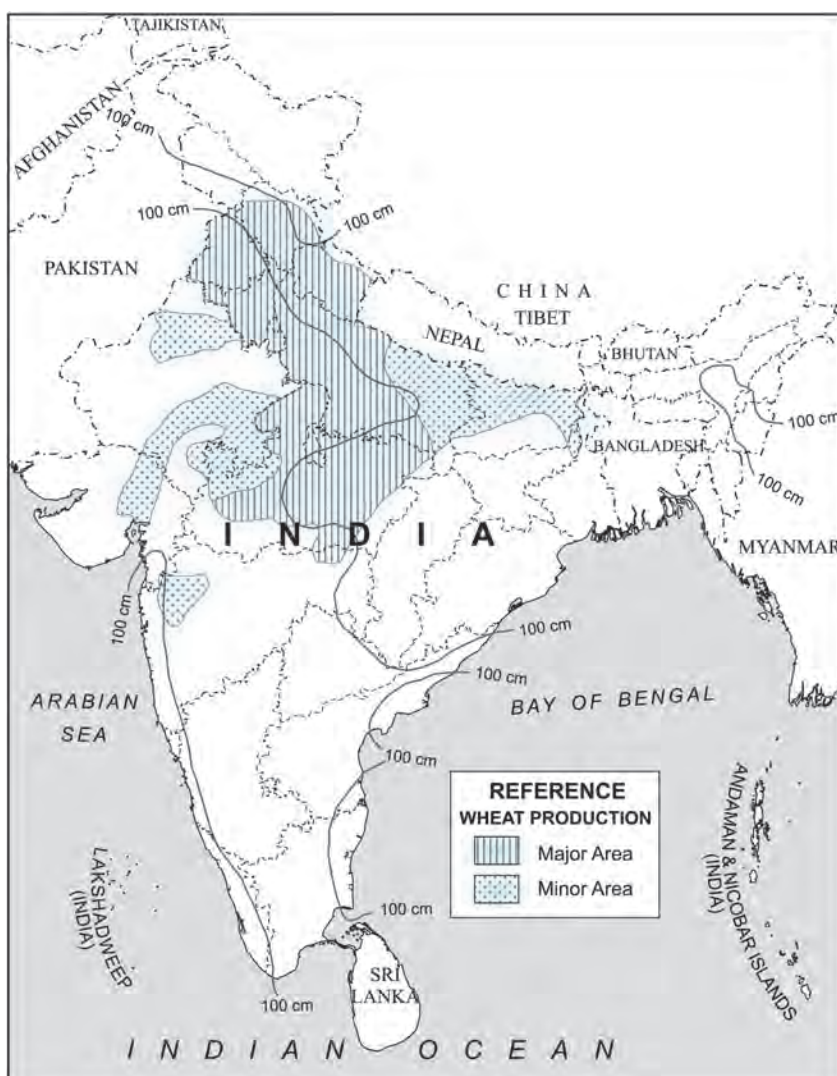


Variations in climate, soil, and cultivation practices is responsible for the variety of food and non-food crops found in our country.

IMPORTANT FOODGRAINS

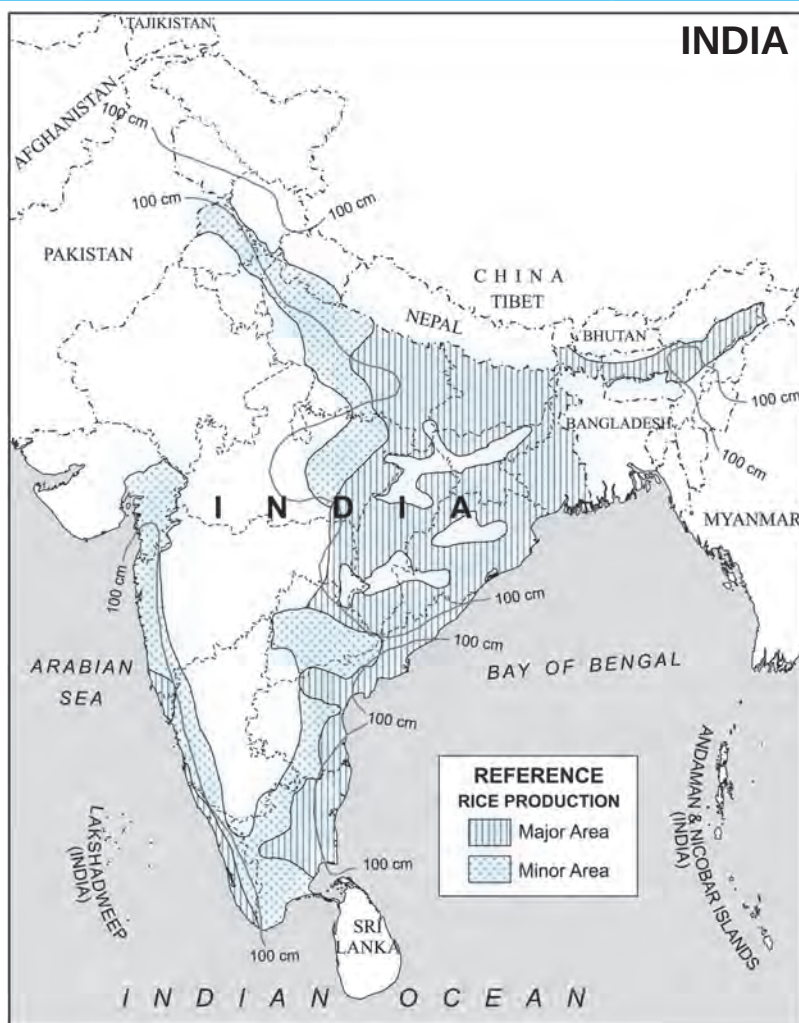


CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
WHEAT (Rabi crop) It is the second most important cereal crop.	There are two prominent wheat growing zones in the country—the Ganga-Satluj plains in the north-west and black soil region of the Deccan. Major wheat producing states are Punjab, Haryana, Uttar Pradesh, Uttarakhand, Bihar, Rajasthan and certain parts of Madhya Pradesh.	It requires : • a cool and moist growing season. • bright sunshine at the time of ripening. • 50 to 75 cm of annual rainfall evenly distributed over the growing season. • 100 frost-free days. • irrigated water where water is not enough.



India : Wheat producing areas

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
RICE (Kharif crop) It is the staple food crop of the majority of the population. India is the second largest producer of rice in the world after China.	It is cultivated in the plains of north and north-eastern India, delta regions and coastal areas. West Bengal, Assam, Odisha, Uttar Pradesh, Bihar, Andhra Pradesh, Telangana, Tamil Nadu, Kerala and Maharashtra, particularly the Konkan coast, are major producers of rice. The crop is also grown in the states of Punjab, Haryana and western Uttar Pradesh and parts of Rajasthan. Though these regions are dry, tube wells and canal irrigation have made cultivation of rice possible here.	It requires an annual rainfall above 100 cm and high temperature, i.e., above 25°C, coupled with high humidity. It requires heavy rainfall in summer and irrigation in areas of less rainfall. Paddy is a tropical crop and grows very well in the wet monsoon lands.



India : Rice producing areas

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
MAIZE (Kharif crop) It is used as a food and a fodder crop.	It is cultivated in the states of Karnataka, Uttar Pradesh, Bihar, Jharkhand, Telangana, Punjab, Chhattisgarh and Madhya Pradesh.	It requires : ● well-drained old alluvial soil. ● temperature between 21°C to 27°C. ● annual rainfall between 63 cm to 115 cm. ● 140 frost-free days. In Bihar maize is grown in rabi season as well. The production of maize has increased with application of modern inputs like HYV seeds, fertilisers and irrigation.



India : Maize producing areas

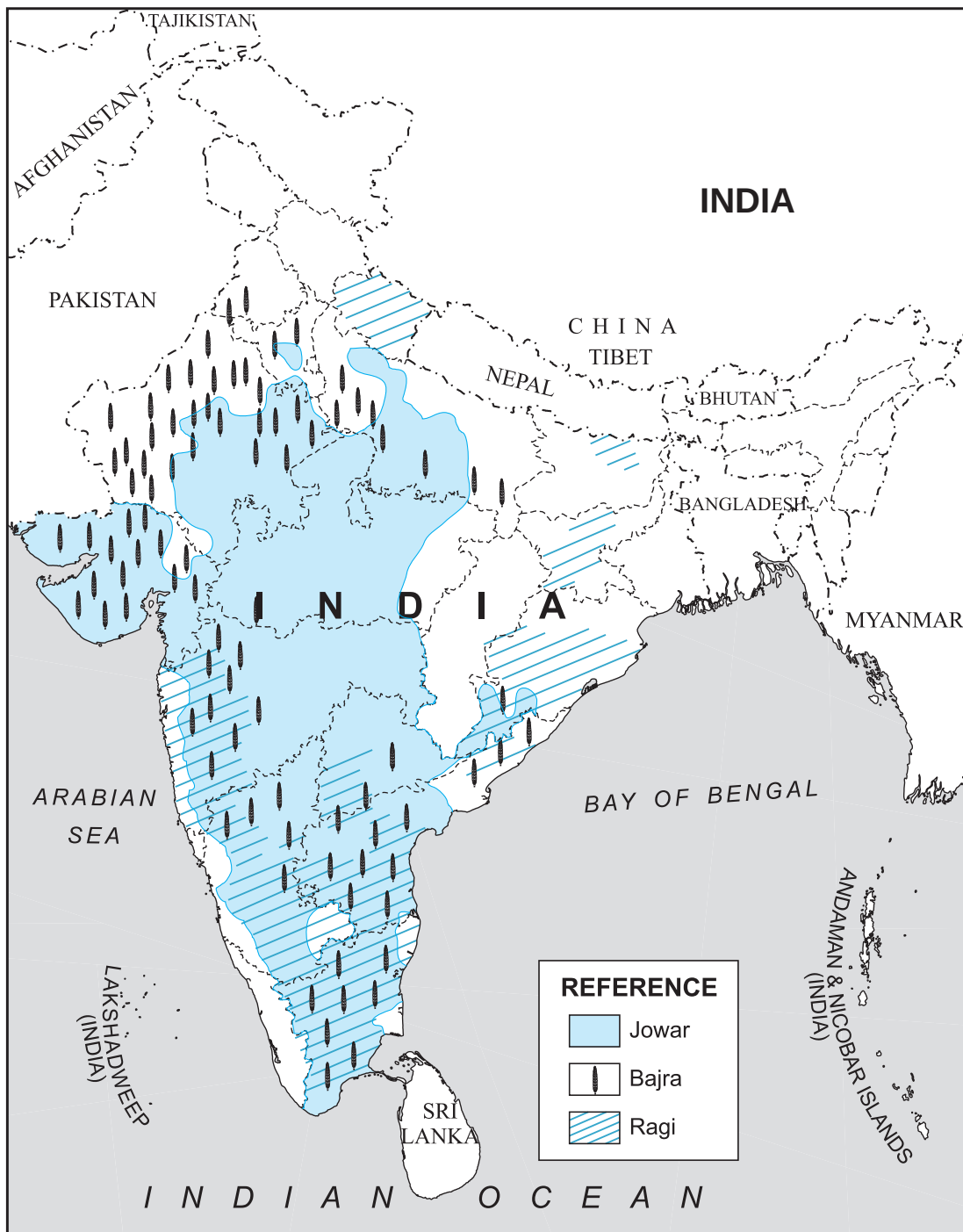
CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
MILLETS Jowar, bajra and ragi are the important millets grown in India. They are also known as coarse grains . Their nutritional value is very high.	These crops are cultivated in the states of Karnataka, Uttar Pradesh, Bihar, Jharkhand, Telangana, Punjab, Chhattisgarh and Madhya Pradesh. Maharashtra is the largest producer of jowar. Rajasthan is the largest producer of bajra.	Jowar – It requires : - well-drained old alluvial soil. - mean monthly temperature of 18°C to 32°C. - It is a rainfed crop. - grows well in moist areas which hardly need irrigation. Bajra – It requires : - sandy and shallow black soil. - climatic conditions same as jowar. Ragi – It requires : - red, black, sandy, loamy and shallow black soil. - climatic conditions same as bajra. It is a crop of dry regions.

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
PULSES Major pulses are gram, urad, moong, masoor, tur or arhar and peas. Pulses are the major source of protein in a vegetarian diet. Arhar or tur, urad and moong are grown as kharif crops and masur, peas and gram are grown as rabi crops.	These are grown all over the country except in areas of heavy rain. Major pulse producing states in India are Madhya Pradesh, Uttar Pradesh, Rajasthan, Maharashtra, Telangana, Andhra Pradesh and Karnataka. Pulses are grown in rotation with other crops as they help in restoring soil fertility by utilising nitrogen from the air. Major gram and tur producing states are Madhya Pradesh, Uttar Pradesh, Maharashtra and Karnataka. Gram is also cultivated in Rajasthan and tur in Andhra Pradesh.	Pulses need less moisture and can survive in dry conditions.

2. FOOD CROPS OTHER THAN FOODGRAINS



CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
SUGARCANE It is the main source of sugar, gur (jaggery), khandsari and molasses. India is the second largest producer of sugarcane in the world after Brazil.	It is a sub-tropical as well as a tropical crop. The major sugarcane producing states are Uttar Pradesh, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Bihar, Punjab and Haryana.	It grows well in hot and humid climate with a temperature of 21°C to 27°C and an annual rainfall between 75 cm and 100 cm. Irrigation is required in the regions of low rainfall. This crop requires manual labour from sowing to harvesting. It can be grown on a variety of soils. It is an annual crop.



India : Jowar, bajra and ragi producing areas

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
OILSEEDS India is the largest producer of oilseeds in the world. Groundnut, mustard, coconut, sesamum (til), soyabean, cotton seeds, linseed, castorseeds and sunflower are the major oilseeds produced. Most of these are edible and used as a cooking medium but some are used as raw material in the production of soap, cosmetics and ointments.	Groundnut : Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Gujarat and Maharashtra. Almost 85% of the national production comes from these states. Sesamum : Gujarat, Tamil Nadu, West Bengal, Karnataka and Madhya Pradesh are the major producers. It is grown as a kharif crop in north India and as a rabi crop in south India. Castor seed : Gujarat, Andhra Pradesh, Telangana and Rajasthan are the major producers. It is grown both as a kharif and rabi crop. Mustard : Major producers are Rajasthan, Uttar Pradesh, Haryana, West Bengal and Madhya Pradesh. It is grown mainly as a rabi crop. Linseed : Madhya Pradesh, Uttar Pradesh, Bihar, Chhattisgarh and Maharashtra are the major producers.	Different oilseeds are grown covering approximately 12% of the total cropped area of the country. Groundnut – Kharif crop. Mustard and linseed grown as rabi crops. Sesamum – Kharif crop in north and rabi crop in South India. Castor seeds grown both in rabi and kharif season.

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
TEA Main beverage crop. India is a leading producer and exporter of tea in the world.	Assam, hills of Darjeeling and Jalpaiguri districts of West Bengal, Tamil Nadu and Kerala are the major tea producing states. It is also cultivated in Himachal Pradesh, Uttarakhand, Meghalaya, Andhra Pradesh and Tripura.	Tea plant grows well in tropical and sub-tropical climates. The soil requirement is deep fertile well-drained soil which is rich in humus and organic matter. Tea thrives well in a hot and humid climate. Ideal temperature for its growth is 20°C to 30°C and an annual rainfall of 150 cm to 300 cm. High humidity and frequent showers evenly distributed throughout the year are good for the rapid development of tender leaves. Tea bushes thrive well in moist and warm frost-free climate all through the year. Tea is a labour intensive crop which retain abundant cheap and skilled labour as tea is processed within the tea estates. Tea is processed within the tea estates to retain its freshness. Tea cultivation is an example of plantation agriculture and was introduced initially by the British. The present-day plantations are owned by Indians.

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
COFFEE It is the second most important beverage crop of India. Indian coffee is known for its quality and is hence in great demand all over the world. It brings in a handsome amount of foreign exchange. India produces 4% of the world's coffee production. The variety produced in India is the Arabica variety which was initially brought from Yemen.	Its cultivation was initiated on Baba Budan hills and is today confined to the Nilgiri in Karnataka, Kerala and Tamil Nadu.	It requires hot and humid climatic conditions for growth. It thrives well in areas with temperature between 15°C and 28°C and rainfall between 50 cm and 200 cm.

CROP	AREAS OF CULTIVATION
HORTICULTURE CROPS India is the second largest producer of fruits and vegetables. It produces tropical as well as temperate fruits. Almost 13% of the world's vegetables are produced in India. It leads the world in the production of peas and cauliflower, is second in onion, cabbage, tomato, brinjal and fourth in potato production.	Mangoes – Maharashtra, Andhra Pradesh, Telangana, Uttar Pradesh and West Bengal. Covers 38% of the area under forests. Oranges – Nagpur and Cherrapunjee (Meghalaya) Bananas – Kerala, Mizoram, Maharashtra and Tamil Nadu Lichi and Guava – Bihar and Uttar Pradesh Pineapple – Meghalaya Grapes – Andhra Pradesh, Telangana and Maharashtra Apples, Pears, Apricots and Walnuts – Jammu and Kashmir and Himachal Pradesh Cashewnut – Kerala, Tamil Nadu, Andhra Pradesh and Telangana



3. NON-FOOD CROPS/CASH CROPS

CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
RUBBER It is an important industrial raw material. India is the fifth largest producer of rubber in the world. About 97% of the country's demand of natural rubber is met from the domestic production. 62.2% of natural rubber is used in manufacturing auto tyres and tubes, 9.2% cycle tyres and tubes, 6.6% footwear, camel back 4.6%, belts and hoses 4.6%, Latex foam and dipped goods 4.1% each. Apart from these there are many other uses of natural rubber.	Kerala, Tamil Nadu, Karnataka, Andaman and Nicobar Islands and Garo hills of Meghalaya are major rubber producing areas.	It is an equatorial crop. It grows well in tropical and sub-tropical areas also. It requires a moist and humid climate with rainfall of more than 200 cm and temperature above 25°C.

4. FIBRE CROPS



CROP	AREAS OF CULTIVATION	CONDITIONS REQUIRED FOR CULTIVATION
COTTON India is the third largest producer of cotton in the world, and it is believed that the crop originated here. Cotton is used as a raw material in textile industry.	Maharashtra, Gujarat, Madhya Pradesh, Karnataka, Tamil Nadu, Andhra Pradesh, Punjab, Haryana and Uttar Pradesh are the major cotton producing states.	This fibre crop grows well in the drier parts of the black cotton soil of the Deccan plateau. It grows well in tropical and sub-tropical areas. It requires 6 to 8 months to mature, high temperature and light rainfall. It grows best with irrigated water. Almost 210 frost-free days and bright sunshine are required for its growth. It is a kharif crop.
JUTE The crop is also known as the golden fibre. It is used to make mats, ropes, carpets, yarns, gunny bags and many other ornamental things. Today due to its high cost, people prefer to use synthetic fibres and packing material, especially nylon. The fibre is obtained from the retting of the plant.	West Bengal, Bihar, Assam, Odisha and Meghalaya are the major jute producing states.	It requires : ● well-drained fertile soil in the flood plains. ● soil which is renewed every year. ● high temperature during time of growth.

The four major natural fibres of India are cotton, jute, hemp and natural silk. Cotton, jute and hemp are soil fibres. Silk is derived from the cocoons of the silkworms. These silkworms are fed on mulberry leaves. Sericulture is the practice of rearing silkworms for the production of silk fibre.

TECHNOLOGICAL AND INSTITUTIONAL REFORMS



Agriculture ensures food security for the country and produces several raw materials for industries. Agricultural development, therefore, is a pre-condition of our national prosperity.

Agriculture has been the mainstay of India's economy for thousands of years. Constant use of land without appropriate techno-institutional changes has hindered the pace of agricultural development. Most of the farmers still depend on monsoons, natural fertility and seeds. Old methods of irrigation such as flooding of fields and Persian wheel, wooden plough and bullock cart to carry on production are in use. This has serious consequences as agriculture, even today, is the most important means of livelihood for about 70 per cent of our population. There is an immediate need for implementing of technical and institutional reforms.

As mentioned earlier, the Right of Inheritance created small and fragmented

land holdings which are economically not viable. This created problems after India became independent. ‘Land Reform’ was the main focus of India’s First Five Year Plan.

Producing sufficient food for India’s growing population became an important concern. Certain land reforms were introduced by the government to improve the condition of agriculture and also of the farmer, some of which were abolition of *zamindari*, collectivisation and consolidation of land holdings.

Fact File

Today, India ranks second worldwide in agricultural output. Agriculture and allied sectors like forestry and fisheries accounted for 13.7% of the gross domestic product (GDP) in 2013 and about 50% of the workforce.

Impact

After introducing these land reforms the government initiated agricultural reforms in the 1960s and 1970s. These reforms were introduced with a view

to improving agriculture. The **Green Revolution** and the **White Revolution (Operation Flood)** were initiated to bring about an improvement in the field of Indian agriculture. The Green Revolution is a phrase generally used to describe the spectacular increase in the production of food grains in India.

These improvements too did not bring about the desired improvement. Development and improvement was restricted to a few areas only. By the 1980s and 1990s it became very clear that what was required was a comprehensive land development programme which would comprise both institutional and technical reforms.

To start the government took the initiative by providing various facilities on its own. Hence, the following institutional and technical reforms were implemented —

- Subsidy on electricity, seeds and fertilisers to ensure that farmers continue to improve agriculture, consolidated and collectivised farms to make them economically viable.

Sectoral Share in GDP

India: Growth of GDP and major sectors (in %)

Sector	Tenth Five Year Plan (2002–07)	11th Five Year Plan (2007–12)	12th Five Year Plan (2012–17)	
			Target I	Target II
Agriculture	1.7	3.2	4.0	4.2
Industry	8.3	7.4	9.6	10.9
Services	9.0	10.0	10.0	10.0
GDP	7.2	8.2	9.0	9.5

Source : Government of India, 2011

- Widespread use of radio and television for acquainting farmers in new and improved techniques of cultivation.
- Crop insurance to protect the farmers against losses caused by crop failure.
- Special weather bulletins and agricultural programmes for farmers on television and radio.
- Well-knit network of rural banking for farmers to help them get loans to modernise agriculture.
- Announcing minimum support price for the crops grown by farmers to check exploitation of farmers by middlemen and speculators.
- Remunerative and procurement prices for important crops to check the exploitation of farmers by the speculators and middlemen.
- Kisan Credit Card (KCC) and Personal Accident Insurance Scheme (PAIS) are a few schemes introduced by the government.

POINTS TO REMEMBER

- Around two-thirds of the population of India is engaged in agricultural activities.
- There are different types of farming, such as Primitive farming, Intensive subsistence farming and commercial farming.
- In India, there are three cropping seasons, viz. Rabi, Kharif and Zaid.
- The type of farming practised depends on two factors (i) Physical and (ii) Human.
- Important foodgrains cultivated in India are wheat, rice, maize and millets.
- Agriculture ensures food security for the country and produces several raw materials.
- It is the backbone of Indian economy, as it provides employment to a large number of people.

IMPORTANT TERMS

- **subsistence** : Just to sustain oneself and one's family.
- **commercial** : Done for profit.
- **biochemical** : Related to biochemistry, i.e., study of chemical processes and substances of living matter.
- **terraces** : A raised level cut into the side of a hill.
- **plantation** : Type of farming in which a single crop is grown on a large area.
- **consolidation** : Process of firming or strengthening.
- **Rabi** : Cropping season in which crops are sown in Oct/Nov and harvested in April/May.
- **Kharif** : Cropping season in which crops are sown with the onset of monsoon and harvested in September-October.
- **Zaid** : A short cropping season between the rabi and kharif seasons.
- **horticulture** : Pertaining to art of growing, fruit, flowers and vegetables.
- **collectivisation** : Transfer from individual to collective ownership.
- **buffer** : Something that lessens the force or shock.
- **degradation** : Process of lowering of rank, grade, size etc.

EXERCISES

I. Multiple Choice Questions



1. Mr. Momin lives in Meghalaya, wishes to cultivate pulses but is unable to grow it. What reasons could be responsible for the failure of this crop?
(a) Excessive rainfall and high humidity in Meghalaya
(b) Limited availability of irrigation facilities
(c) Inadequate sunlight and poor soil drainage
(d) None of these
2. Rohan told Sohan to guess the name of the crop; he provided the following geographical conditions:
 - It grows in a cool and moist season
 - It requires bright sunshine at the time of ripening
 - 50 cm to 75 cm of annual rainfall evenly distributed over the growing season.(a) Wheat (b) Pulses (c) Rice (d) Maize
3. Rice is a subsistence crop in Odisha; in which of the following states is rice a commercial crop? **[HOTS]**
(a) West Bengal and Bihar (b) Jammu and Kashmir
(c) Punjab and Haryana (d) Tamil Nadu and Kerala
4. Which one of the following describes a system of agriculture where a single crop is grown on a large area?
(a) Shifting agriculture (b) Plantation agriculture
(c) Horticulture (d) Intensive agriculture
5. Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.

Assertion (A): Constant reliance on traditional farming methods has hindered the modernization of agricultural practices.

Reason (R): Traditional methods of farming often involve inefficient use of resources and lack of technological advancements, which limits the potential for increased productivity and sustainability.

- (a) Both the Assertion and Reason are true, and the Reason is a correct explanation of the Assertion.
- (b) Both the Assertion and Reason are true, but the Reason is NOT a correct explanation of the Assertion.
- (c) The Assertion is true, but the Reason is false.
- (d) The Assertion is false, but the Reason is true.

II. Very Short Answer Questions

1. State the growing and harvesting periods of Rabi crops.
2. Which crops are known as beverage crops?
3. Why is tea processed within tea gardens?



[HOTS]

III. Short Answer Questions

1. What is agriculture?
2. What is primitive farming? Mention any two characteristics.
3. Briefly describe the conditions required for the cultivation of jute.
4. When are Rabi crops sown? Name two Rabi crops.



IV. Long Answer Questions

1. Which type of farming is 'slash and burn'? Why is the land abandoned after a few years?
2. 'Some pulses are known as leguminous crops.' Why are they grown in rotation with other crops?
3. Explain any four factors responsible for the low productivity of agriculture in India.
4. What is intensive subsistence farming? How is it practised?
5. Mention any six institutional and technical reforms implemented by Indian government in agriculture.



[HOTS]

V. Case Based Questions

Constant use of land without appropriate techno-institutional changes has hindered the pace of agricultural development. Most of the farmers still depend on monsoons, natural fertility and seeds. Old methods of irrigation such as flooding of fields and Persian wheel, wooden plough and bullock cart to carry on production are in use. This has serious consequences as agriculture, even today, is the most important means of livelihood for about 70 per cent of our population. There is an immediate need for implementing of technical and institutional reforms.

1. What factor has contributed to the sluggish pace of agricultural development?
2. What are some of the traditional methods that farmers still rely on in their agricultural practices?
3. Why is the implementation of technical and institutional reforms urgently required in the agricultural sector?



MANUFACTURING AND ITS IMPORTANCE



Manufacturing is the process of producing goods in large quantities by using machines. Manufacturing involves processing of raw materials to produce more valuable products in large quantities. The development of manufacturing industries is a measure for assessing the economic strength of a country. It is also an important means to overcome poverty.

Manufacturing sector is considered the central dynamic force of development in general, and economic development in particular, mainly because of the following reasons —

- Prosperity through manufacturing is a long-term strategy of our government. Manufacturing not only aids in modernising agriculture, which is crucial for creating new economic opportunities, but also provides employment in the secondary and tertiary sectors and reduces dependence on agriculture.
- Industrialisation is a powerful method of conquering poverty and providing employment. The public sector industries and joint sector ventures in India focus on bringing down regional disparities by establishing industries even in

remote and far flung areas especially the tribal and backward areas.

- Manufacturing enables India to utilise its resources optimally, diversify the economic base, raise the living standard of people, expand trade and commerce and bring in the much needed foreign exchange.
- All industries require raw materials for production. The prosperity of a country lies in increasing and diversifying its manufacturing industries at a fast and steady pace and transforming its raw materials into a diverse variety of finished goods of higher value.

Since India has an agrarian economy, agro-based industries have played an important role in India's development. India is one of the largest producers of milk, sugarcane and tea, as well as rice, wheat, fruits and vegetables. These provide raw materials for growth of agro-based industries. Agriculture and industry go hand in hand and complement each other. Both are dependent on each other for progress and survival.

The development and competitiveness of manufacturing industries also make the production process very efficient and smooth.

Moreover, great attention needs to be given to quality that matches with the international market. With globalisation our economy has been integrated with the world economy. We have become economically inter-dependent at the global or international level. Hence being self-sufficient is not enough. Quality is now an important factor. Only if goods are at par in quality with those in the international market will we be able to compete successfully.

LOCATION OF INDUSTRIES

What factors affect an industry's location?

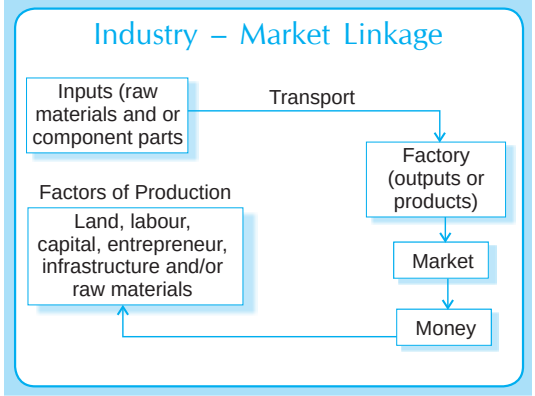
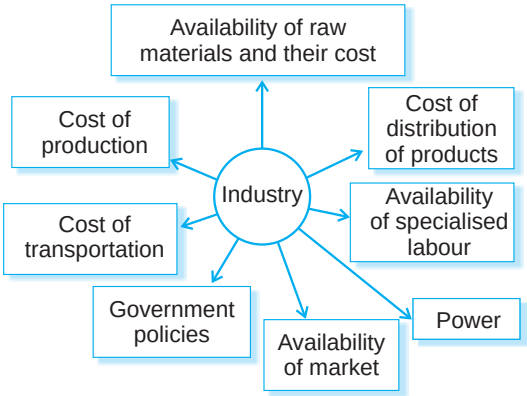


Locating an industry is a complex issue. Many factors play an important role in location of industries, such as availability of raw material, labour, capital, power, market, etc. It is very difficult to find all the factors at one place. Hence, an industry is set up or located at a place where most of the factors are present naturally or can be made available easily and at a reasonable cost.

It has been noticed that industrialisation and urbanisation go hand in hand. This happens under two circumstances—when an industry is set up people who get employed settle around it. Township with services such as market, banking, transport, labour, etc. get established. In such a case, urbanisation follows industrial activity. The other circumstance is when industries are set up near cities. Here industrial activity follows urbanisation. Urban centres offer many opportunities to the industries like banking, insurance, transport, etc. Hence, many industries come together to form an industrial agglomeration and avail of the many advantages offered by these urban centres, known as agglomeration economies.

A perfect example of such industrially developed urban centres are Mumbai, Kolkata, Chennai which were strategically located from the point of view of overseas trade, even before independence. Over the years these cities have developed as important urban centres with a vast agricultural rural hinterland surrounding them.

Some Factors Affecting Location of an Industry



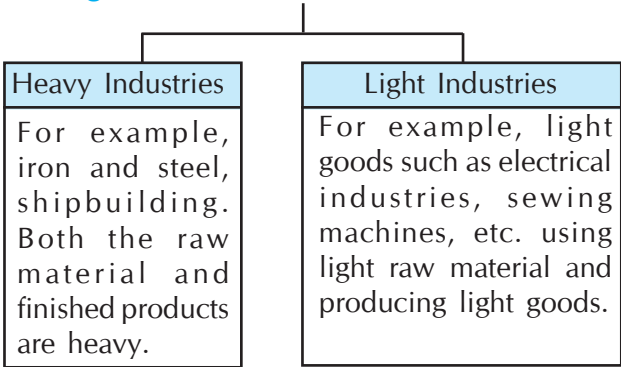
INDUSTRIES—THEIR CATEGORISATION



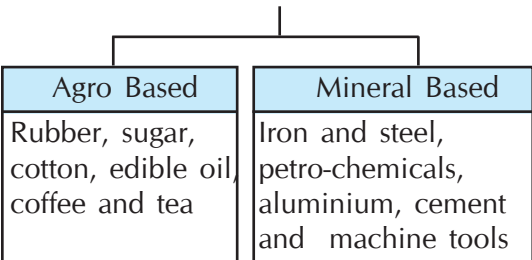
Based on labour, raw materials, sources of raw

materials, ownership, industries are categorised into several groups as outlined in the given charts.

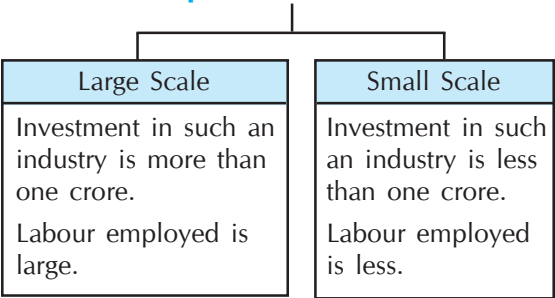
Bulk and Weight of Raw Material and Finished Goods



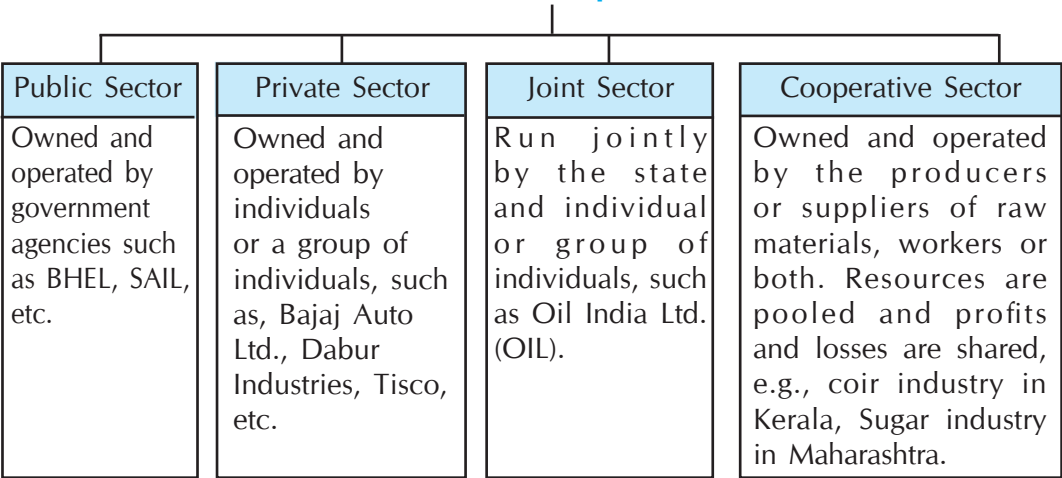
Raw Material



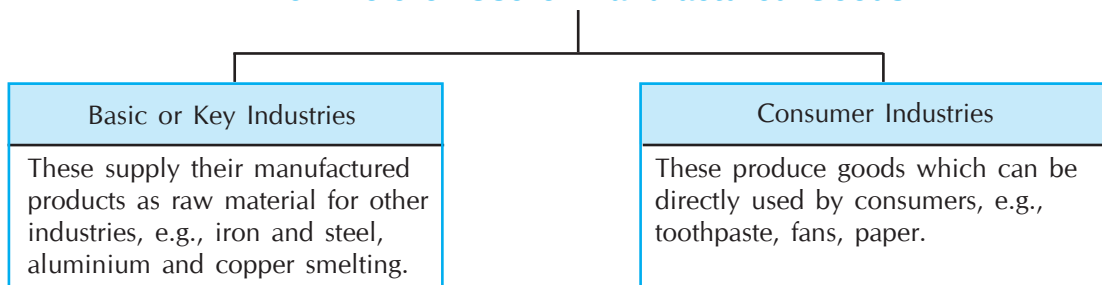
Capital Investment



Ownership



Their Role or Use of Manufactured Goods



AGRO-BASED INDUSTRIES



of nearly 1946 cotton and human-made fibre textile mills in the country. Almost 20 per cent of these are in the public and cooperative sectors and the remaining 80 per cent in the private sector. In addition, there are several thousand small factories which function with four to ten looms.

Textile Industry

The textile industry is the only industry in the country which is self-reliant and complete in value chain. This means that it is complete from raw materials to the highest value added products, e.g., garments. Main contributions of this industry are —

- It contributes almost 14 per cent to industrial production.
- It generates employment for almost 35 million people directly.
- It contributes to almost 24.6 per cent of the foreign exchange earning.
- Its contribution towards GDP is 4 per cent.

Cotton Textiles : The people of the Harappan culture were among the first in the world to wear cotton clothes. Cotton textile industry is one of the oldest industries of India. In the modern period the first mill was established in Mumbai in 1854. Today, India can boast

In the initial phase, cotton textile industry was concentrated in Maharashtra and Gujarat in and around the cotton growing belt. The factors responsible for localisation of cotton textile industry in this region, mainly around Mumbai–Ahmedabad, were availability of raw cotton, market for finished products, developed transport network, port facilities, cheap labour, moist climate and capital.

The cotton textile centres have spread to many other states. The cotton textile centres in Maharashtra are Mumbai, Sholapur, Pune, Wardha, Nagpur, Aurangabad and Jalgaon; in Gujarat they are Ahmedabad, Vadodara, Surat, Rajkot and Porbandar. Harora, Murshidabad, Hugli are located in West Bengal. In Uttar Pradesh cotton textile centres are located at Kanpur, Modinagar, Moradabad and Agra. Gwalior, Ujjain, Dewas and Indore are important centres



India — Cotton, woollen, silk and jute textile industries

in Madhya Pradesh. In Tamil Nadu, the important centres are Coimbatore, Chennai and Madurai.

The cotton industry creates a demand that supports other industries, e.g., chemicals and dyes, packaging material, mill stores, and engineering works. The textile industry is very closely linked to agriculture—farmers and cotton boll packers. It also engages people in ginning, spinning, weaving, dyeing, designing, packaging, tailoring and stitching.

India exports yarn to Japan and cotton goods to USA, UK, Russia, France, East European countries, Nepal, Singapore, Sri Lanka and African countries.

Since the mid-eighties, the spinning sector has received a great deal of attention. Second only to China, which ranks first, our country has about 43.13 million (as in 2011–2013) installed spindles in the world.

The first jute mill in India was established at Rishra near Kolkata in 1859.

Our cotton industry has a major drawback. It produces the best yarn but our knitting and weaving units are not thoroughly competent to use most of the high quality yarn produced in the country. It is very interesting to note here that value is added at every stage from fibre to yarn to fabric and to garment. Hence, it is very important for us to improve our weaving sector so that we do not have to export yarn in large quantities.

Jute Textiles : This is the second important industry, next only to cotton. There are about 80 jute mills in India. Most of these are located along the banks of the Hugli River in West Bengal. Over 80 per cent of the jute goods are manufactured in West Bengal. Andhra Pradesh produces about 10 per cent, Bihar, Uttar Pradesh, Madhya Pradesh, Odisha, Assam and Tripura produce the remaining 10 per cent. The jute industry provides direct employment to about 0.37 million workers 2010–2011. In addition, 4 million lakh small and marginal farmers are involved in the cultivation of jute and mesta.

The **National Jute Policy** was framed in 2005. Its main objectives were to increase productivity, improve quality, enhance yield/production and also ensure supportive prices to the jute farmers. Today, the Indian jute industry is facing stiff competition from synthetic substitutes which are easily available at cheaper rates. It also faces tough competition from jute products from Bangladesh, Brazil, Philippines, Egypt and Thailand.

The government policy of mandatory use of jute packing has given an impetus to the demand for jute, at least in India. Another means by which demand is being increased is by introducing many other jute based products. Another factor that has increased the importance of jute is the concern for preservation of the environment.

USA, Canada, Russia, Germany, UK and Australia are the main buyers of Indian jute products.

Sugar Industry : Sugar is India's second largest agro-producing industry. It, however, ranks first in the production of khandsari and gur. It has been estimated that 34 million Indian farmers and their families are dependent on sugar cultivation.

India's sugar season is October–September. This industry is seasonal in nature as production is confined to 110–220 days a year. This industry is ideally suited for the cooperative sector. The sugar industry involves farmers right from the inception and was, therefore, never looked as merely processing units of sugarcane, but through the medium of factories, they endeavoured for socio-economic, educational and cultural development of the entire area surrounding the sugar factory.

In 2010–2011, there were around 662 sugar mills in the country spread over many states—Uttar Pradesh, Bihar, Maharashtra, Tamil Nadu, Karnataka, Andhra Pradesh, Gujarat, Punjab, Haryana and Madhya Pradesh. Uttar Pradesh and Bihar can boast of more than 60 per cent of the mills being located there.

The industry uses raw material which is heavy and bulky to haul. There is another drawback for this industry—the sucrose content of sugarcane gets depleted when transported over long distance. Therefore, sugar industries need to be located near sugarcane producing areas.

Recently, sugar mills have migrated to the southern and western states of India, especially Maharashtra. The reasons for

the shift are—the cooler climate in those states which lengthens the crushing season and even increases the sucrose content of the cane. Another important factor is the success of cooperatives in these western and southern states of India.

This industry too faces challenges, the major one being transportation delay that leads to depletion of sucrose content of the cane; old, outdated and inefficient methods of production; the seasonal nature of the industry; and the need to maximise the use of baggage.

MINERAL-BASED INDUSTRIES



Mineral-based industries are those industries which use minerals and metals as raw material. Some mineral-based industries are iron and steel, aluminium smelting, copper smelting, cement, fertiliser, etc.

Iron and Steel Industry

The iron and steel industry is known as the basic industry as all other industries are dependent on it for their machinery. This industry falls into the category of heavy industry as the raw material used is heavy and bulky and requires huge investment on transportation.

The iron and steel industry is over 125 years old. The first steel plant was set up at Kulti in 1870 by Iron Work Company.

Integrated Iron and Steel Plants in India

1. Tata Iron and Steel Company (TISCO), Jamshedpur, Jharkhand,



India — Iron and Steel Plants

with a subsidiary steel works at Gopalpur, Odisha (only private sector steel plant).

2. Indian Iron and Steel Company (IISCO), Burnpur, West Bengal.
 3. Visweswarayya Iron and Steel Ltd., Bhadravati, Karnataka.
 4. Bhilai Steel Plant, Chhattisgarh (Russian collaboration).
 5. Rourkela Steel Plant, Odisha (German collaboration).
 6. Durgapur Steel Plant, West Bengal (British collaboration).
 7. Bokaro Steel Plant, Jharkhand (Russian collaboration).
 8. Salem Steel Plant, Tamil Nadu.
 9. Vishakhapatnam Steel Plant, Andhra Pradesh.
 10. Vijaynagar Steel Plant, Karnataka.
- Apart from TISCO all the others are public sector steel plants.

Production in iron and steel sector has been increasing over the last 20 years. In 2014, India produced, with 86.5 million tonnes of steel production, India stands 4th among the world's crude steel producers. India tops the list in the production of sponge iron. The per capita consumption in 2014 was 60 kg per annum, while the world's average was 217 kg per annum.

Iron and steel industries are mostly located in close proximity to areas where raw materials are found or are available. This industry requires an efficient transport system as the finished goods are also heavy and transportation is difficult. Most of the integrated iron and steel plants are located in the north-

eastern and southern part of the Indian peninsula which are mineral rich areas. An exception is the Vishakhapatnam Steel Plant. The Chhotanagpur plateau region has a cluster of iron and steel industries. The reasons responsible for this are : proximity of raw materials availability of cheap labour, low cost of raw materials including iron ore and a growing home market.

The public sector the iron and steel plants of India are managed by the Steel Authority of India Ltd. (SAIL). TISCO markets its products through Tata Steel.

The challenges that the iron and steel industry face today are : poor infrastructure, irregular supply of energy, unskilled labour with low productivity, limited supply of raw materials, especially coking coal and high cost of raw material.

Private entrepreneurs have endeavoured to boost up growth of the iron and steel industries after the adoption of Policy of Liberalisation and Foreign Direct Investment.

Aluminium Smelting : Aluminium has gained popularity as a good substitute of steel, zinc, copper and lead. It is used to manufacture aircraft, wire and utensils. This metal possesses many good qualities. It is light, corrosion resistant, malleable, good conductor of heat, and its strength becomes more when mixed with other metals.

Aluminium smelting occupies the second most important position in the metallurgical industry in India.

In 2008–09, India produced 15.29 million tonnes of aluminium. Today, India has 8 aluminium smelting plants located in Odisha (Nalco and Balco), Kerala, Chhattisgarh, Uttar Pradesh, Maharashtra, Tamil Nadu and West Bengal.

Bauxite is the raw material used in smelters for extracting alumina and later aluminium. Location of the industry is influenced by the availability of bauxite at minimum cost and inexpensive and assured supply of electricity.

Chemical Industry : The Indian chemical industry occupies an important position in the country's economy. It is the oldest, diversified and rapidly growing industry in both inorganic and organic sector. The inorganic chemical industries are widely spread while organic chemical industries are located near oil refineries and petro-chemical plants.

An interesting fact about chemical industries is that these industries are their own consumers. Basic chemicals are processed to produce chemicals that are used for agriculture, industrial application or for consumer market.

The chemical industry today produces a very large number of commercial products, ranging from cosmetics and toiletries to plastics and pesticides.

Fertiliser Industry : Chemical fertilisers have played an important role in the success of India's Green Revolution and consequent self-reliance in foodgrain production. The increase in fertiliser

consumption has contributed significantly to sustainable production of foodgrains in the country.

The Green Revolution has seen the expansion of the industry into Gujarat, Tamil Nadu, Uttar Pradesh, Punjab and Kerala which are the major contributors.

Cement Industry : The Indian cement industry is progressing. Driven by a booming housing sector, global demand and increased activity in infrastructures development such as state and national highways, the cement industry has outpaced itself, increasing production capacity, attracting the top cement companies in the world and starting off mergers and acquisitions to increase growth.

India is the second largest producer of cement, after China.

Cement is a necessity for construction activities. It is required for building factories, roads, bridges, railway stations, airports, commercial and residential complexes. This industry requires bulky and heavy raw materials such as silica, alumina, limestone and good network of gypsum. Other requirements are coal, electric power and good network of rail transportation.

1904 saw the birth of the first cement plant in Chennai. It was only after independence that the industry expanded. Today we have 128 large plants and 332 mini cement plants in the country.

The various cement plants located in India are at Bokajan in Assam, Rajban in



India — Software Technology Parks

Himachal Pradesh, Adilabad in Andhra Pradesh, Bhatinda in Punjab, Khrew in Jammu and Kashmir, Pali in Rajasthan and Palghat in Kerala. Indian cement is exported to East Asia, Africa, South Asia and West Asia.

Automobile Industry : One of the largest industries in India, the automobile industry has witnessed an impressive growth during the last two decades. Liberalisation ushered in an era of new and contemporary models which stimulated the demand for vehicles in the market. This prospecting the healthy growth of the automobile industry. New technology and alignment of this industry with global development came in with foreign direct investment.

Today, India has 15 manufactures of passenger cars and multi-utility vehicles, 9 of commercial vehicles and 14 of two and three wheelers. Factories are located around Delhi, Gurgaon, Mumbai, Pune, Chennai, Kolkata, Lucknow, Indore, Hyderabad, Bengaluru and Jamshedpur.

Information Technology and Electronics Industry : The information technology and electronics industry have global foundations. Products are designed in one country, produced in another, then sold around the world. The industry covers a wide range of products—transistors, television sets, computers, radars, cellular telecoms pagers, telephones and various other equipment, like those used in post and telegraph offices. These have ushered in a revolution that has changed man's

quality of life and even changed the country's economy. Another significant effect that this industry has had is the employment opportunities it has generated. This growth is corroborated by the fact that by 2010–11 Software Technology parks had come up across 46 locations at different cities in India. These provide single window service and high data communication facility to software experts. The IT industry employed more than one million people out of which 30 per cent are women.

Bengaluru has emerged as the electronic capital of India and is also known as the 'Silicon Valley' of India.

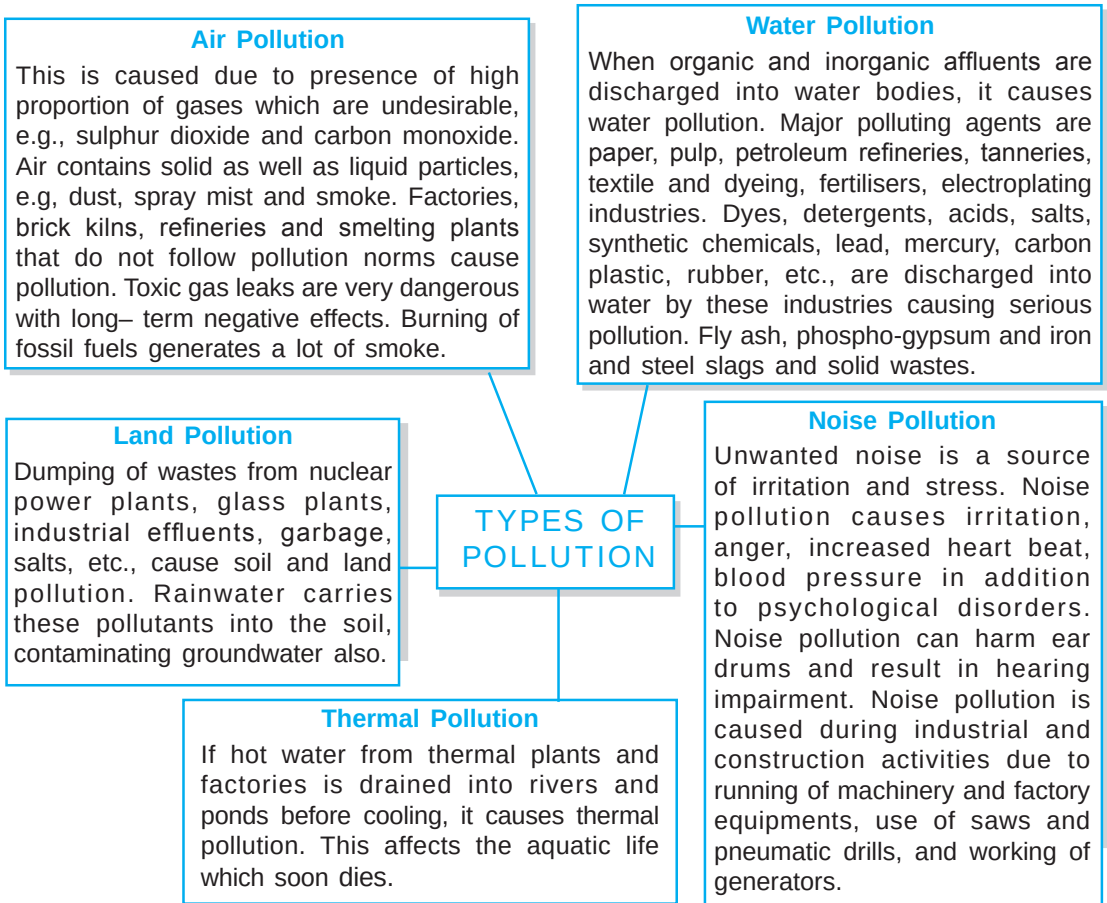
Fact File

India is one of only three countries that makes supercomputers (the US and Japan are the other two). It has the second largest community of software developers, after the USA.

Other upcoming centres are Hyderabad, Delhi, Pune, Lucknow, Kolkata, Chennai, Mumbai and Coimbatore. These provide single window service and high data communication facility to software experts.

Due to its fast growing Business Processes Outsourcing (BPO) sector, this industry has been a major foreign exchange earner in the last two or three years. This spells the success of the IT industry in India which has recorded a phenomenal growth in a short time span.

Stage	Method	Process
Primary Treatment	Mechanical	Screening, grinding, flocculation and sedimentation
Secondary Treatment	Biological	Treatment by biological means
Tertiary Treatment	Biological, Chemical, Physical	This involves recycling of water



The 1984 gas leak in Bhopal was a terrible tragedy which continues to evoke emotions even 26 years later. On December 3, 1984, shortly after midnight methyl isocyanate (MIC) gas leaked from a tank at Union Carbide India Limited's Bhopal plant. According to the state government of Madhya Pradesh, approximately 3,800 people died and several thousands experienced permanent and partial disabilities.

INDUSTRIAL POLLUTION AND ENVIRONMENTAL DEGRADATION



The contribution of manufacturing industries in the economic development of India is significant. However, the side effects, such as increased pollution and environmental degradation cannot be ignored. Five kinds of pollution, namely air, water, land, thermal and noise, are associated with industries.

Environmental Degradation and Its Control

When the environment becomes less valuable or damaged, environmental degradation is said to occur. It can occur naturally or through human processes. It is one of the ten threats officially cautioned by the **high level threat panel** of the United Nations.

Do you know that every 1/2 litre of waste water discharged by industries pollute four times the quantity of freshwater? How can this be reduced?

- Reduce, recycle and reuse. Minimise the use of water for processing by reducing and recycling it in at least two stages.
- Harvesting rainwater to meet water requirements and recharging groundwater.
- Treating hot water and effluents before they are released into water bodies. This is done in three stages—

There has also been a legal regulation on drawing of groundwater resources.

Air can be made to remain clean by certain precautionary measures. Smoke

stacks must be made compulsory in factories with fabric filters, scrubbers, inertial separators and electrostatic precipitators. This will reduce particulate matter in the air. Coal to be utilised to the minimum and oil or gas should be used in factories.

Noise pollution can be reduced by fitting silencers on machines and generators. Machines must be maintained, serviced and redesigned to increase efficiency, reduce energy consumption and noise. Earplugs and earphones must be made available in factories where noise level is high and inevitable.

Sustainable Development

Sustainable development requires that economic development and environmental protection or preservation go hand in hand.

The essence of healthy life and growth is in harmony between man and environment. The concept has been put to practice by many power providing corporations in India. NTPC is one of the main power providing corporations in India. It is driven by its commitment for sustainable growth of power and has adopted a pro-active approach towards conservation and preservation. It has made an effort to minimise environmental impact arising out of setting up of power plants and preserving the natural ecology.

The NTPC has been given the ISO certification for Environmental Management System (EMS) 14001. It has made a concerned effort towards its goal through

- maximum use of latest and efficient equipment and adoption of techniques which encourage sustainable development.
- use of ash, pond management, ash water recycling system and liquid waste management. These techniques reduce environmental pollution.
- maximum ash utilisation which minimises the generation of waste.
- nurturing of ecological balance by maintaining green belts and afforestation.
- constant and meaningful monitoring of the ecological status of all its power stations. This is done through its online data base management system.

POINTS TO REMEMBER

- The manufacturing sector is considered the central dynamic force of economic development in the country.
- India has achieved sufficient self-sufficiency in manufacturing a variety of basic and capital goods.
- Factors like availability of raw material, labour, capital, power, market, etc. play an important role in the location of industries.
- Based on labour, raw materials, sources of raw materials, and ownership industries are categorised into several groups.
- Agro-based industries are those industries that process agricultural products, such as cotton, jute, sugarcane, etc.
- Cotton textile industry is one of the oldest and complete in value chain. That is, values are added to cotton from raw material to the finished products in India.
- The jute industry provided direct employment to about 0.37 million workers and nearly 4 million small and marginal farmers.
- Sugar industry is second largest agro-based industry on which about 34 million Indian farmers and their families depend.
- Mineral-based industries use minerals and metals as their raw materials, for example, iron and steel, aluminium smelting, etc.
- The information technology and electronics industry has ushered in a revolution that has changed our life and boosted the country's economy.
- People's irresponsible activities have led to environmental degradation and different types of pollution.

IMPORTANT TERMS

- **primary activities** : Activities associated with land and water such as farming and mining.
- **secondary activities** : In this, primary goods are used to produce some other commodity manually or by machines.

- o **tertiary activities** : All those activities that link the producers and consumers are called tertiary activities such as banks, transport, etc.
- o **manufacturing** : This is a process of producing goods in large numbers by using machines.
- o **agro-based industries** : Industries based on agricultural raw materials.
- o **agglomeration economies** : Urban centres that offer many opportunities to industries.
- o **mineral based industries** : Those industries that use minerals and metals as raw materials are known as mineral based industries.
- o **slag** : Non-metallic waste matter obtained when ore is melted.
- o **refinery** : A place or plant for purifying substances such as crude oil, gas, etc.

EXERCISES

I. Multiple Choice Questions



1. Manufacturing is the process of
 - (a) producing goods in large quantity
 - (b) producing goods by hands
 - (c) producing goods without adding value
 - (d) none of the above
2. Which of the following is not a factor of production? [HOTS]
 - (a) Land
 - (b) Raw material
 - (c) Capital
 - (d) Infrastructure
3. Oil India Limited (OIL) belongs to which of the following types of industries.
 - (a) Public sector
 - (b) Private sector
 - (c) Joint sector
 - (d) Cooperative sector
4. How do the geographical distribution and concentration of sugar mills address the challenges posed by the bulky nature of raw materials?
 - (a) By relocating mills to regions with lower demand for sugar products.
 - (b) By placing mills closer to sugarcane cultivation areas to reduce transportation costs.
 - (c) By transporting raw materials in smaller quantities to reduce their bulkiness.
 - (d) By relying solely on imported sugarcane to meet the demand.
5. **Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.**

Assertion (A): Bengaluru has emerged as the electronic capital of India due to its significant role in the electronics industry.

Reason (R): The electronics industry primarily focuses on producing agricultural equipment and machinery.

- (a) Both the Assertion and Reason are true, and the Reason is a correct explanation of the Assertion.

TRANSPORT

For a long time trade and transport moved within restricted boundaries of space and time. But with the development in the field of science and technology, trade and transport have spread all over the world. The world has become one big village and distances have become immaterial or, to be more precise, distances seem to have shrunk. This has been made possible by the development of a fast and efficient transport and communication system. Thus, trade, transport and communication complement each other.

Today, life has become very complex. We are all dependant on each other. Even trade has expanded from national to international levels. The India of today is well linked to the rest of the globe despite its huge area, diversities and pluralities in the linguistic and socio-cultural fields. Transport and communication have enriched them, both socially and economically. Our lives have become easier and more amenities and comforts are readily available to us.

Thus, it is evident that modern means of transport and communication are the lifelines of our nation and its economy. Trade, be it local, national or global, depends largely upon a dense

and efficient network of transport and communication.

The earth is endowed with three important domains—air, water and land, which can be used to move goods and services. Transport can be categorised as a system in which passengers and goods are carried from one place to another. Since the beginning of civilisation humans have been moving from place to place in search of food, for trade and for a living. Movement is an essential component of life. In olden days man carried his own load but, with domestication of animals and later with the development of science and technology, transport became easier, faster and more comfortable.

ROADWAYS

India, at present, has one of the largest road networks in the world. The importance of roads had been recognised in India since the ancient times. Kings such as Ashoka and Chandragupta built roads for easy transportation of goods and people. Construction of roads was an important activity even during the Mughal period. The Grand Trunk Road (GT Road) was built by Sher Shah Suri across the Indo-Gangetic plain, from Chittagong (Bangladesh) to Peshawar (Pakistan). It

passes through Howrah, Delhi, Amritsar and terminates in Kabul (Afghanistan).

Roads developed from early cart tracks which are still found in many parts of the world. Today, India's road network aggregates to about 2.3 million km. These roads can be grouped into six main types according to their importance.

Golden Quadrilateral Super Highways

- This road development project by the Government of India links Delhi-Kolkata-Chennai-Mumbai together. This link is the six-lane Super Highway. The total length of the road is 5,846 km. This project is managed by the National Highway Authority of India. This will interconnect many major cities and ports and help in industrial growth in all small towns along it. It will also provide vast opportunities for transport of agricultural produce from the hinterland to major cities and ports for export, as also provide job opportunities during its construction. In addition, it will also create a demand for cement, steel and other construction materials. These Super Highways will reduce the time and distance between the mega cities of India.
- The North-South corridor linking Srinagar (Jammu and Kashmir) and Kanyakumari (Tamil Nadu) and the East-West corridor linking Silchar (Assam) and Porbandar (Gujarat) are integral parts of this project.

National Highways

National highways connect one state with another and are of national importance. These highways link extreme parts of the country. They constitute 2 per cent of the total road networks but carry 40 per cent of the total road traffic. These roads connect long distances and some even pass through congested cities. They, at some places have bridges and culverts which are very narrow. These road systems are also known as primary road systems and are laid and maintained by the Central Public Works Department (CPWD).

A majority of these National Highways run in the North-South and East-West directions. National Highway No. 1 is the historical Sher Shah Suri Marg between Delhi and Amritsar.

State Highways

These highways join state capitals with towns and the district headquarters and provide the link with the national highways. These are constructed and maintained by the State Public Works Department (PWD) in the State or the Union Territories as the case may be.

District Roads

These roads connect the district headquarters with other places of the district and act as a link between district roads and state roads. These roads are maintained by the Zila Parishads.

Other Roads

Village or rural roads which connect rural areas and villages with towns are



India : Golden Quadrilateral and East-West and North-South Corridors of National Highways

classified under this category. Under the “Pradhan Mantri Grameen Sadak Yojana” special provisions have been made so that every village in the country is linked to a major town by a motorable road which can be used in all seasons.

Border Roads

These are roads which can be found along the border areas of our country. These roads are constructed and maintained by the Border Roads Organisation (BRO) which functions directly under the Central Government. The BRO was established in 1960 for the development of the roads in the northern and north-eastern border areas. These roads are of strategic importance. These roads connect to the National Highways that pass through the concerned states. It is due to these roads that accessibility in areas of difficult terrain has become possible. Border roads have also contributed to the economic development of these areas.

Fact File

- The length of road per 100 sq. km. of area is known as density of roads.
- The density of roads is not uniform. It varies from just 39.0 km in Jammu and Kashmir to 528.8 km in Kerala (as on 31st March 2016).
- The national average is 170 km (as on 31st March 2016).

Importance of Road Transport

Why is road transport gaining

importance vis-a-vis rail transport?

There are many reasons for it —

- Road transport provides a link between railway stations, air and sea ports. They are used as feeders to other modes of transport.
- Roads can traverse regions of dissected and undulating relief and negotiate steep slopes. Hence, such a system can connect mountains and deserts with other parts of the country.
- Roads can be constructed at a much lower cost than railways. They are cheap and easy both in construction and maintenance.
- They directly connect fields with markets, factories with farms and provide door-to-door service. Thus, the cost of loading and unloading is lesser.
- If a short or medium distance has to be covered, roads are the ideal means of transport. They are best for transporting few passengers and smaller amount of goods over short distances.
- They are best for transporting perishable goods over short or medium distances.

Problems faced by Road Transportation

- Inadequate road networks to meet the needs of the people.
- National Highways, which were built long ago, are not as wide.
- Most of the old bridges and culverts are low and old.
- Almost half the roads are unmetalled

and, hence, their usage during the monsoon is limited.

- Many of these roads pass through congested cities that create a problem.
- There is lack of roadside amenities, which make road travel cumbersome.

RAILWAYS

The Indian Railways is the largest public sector undertaking in the country.



The railways are regarded as the main artery of inland transport in India and are the principal mode of transport for freight and passengers in India. Large scale and long distance movements of people and goods take place through the railways. Railways were first introduced in India in 1853 and the first train from Mumbai to Thane covered a distance of 34 km. By 1947, the year of India's independence, they had grown to 42 rail systems. In 1951, the system was nationalised as one unit, to become one of the largest networks in the world.

For administrative convenience, Indian Railways have been divided into 17 zones. Until recently, there were 9

zones and this structure had not changed much for four decades. Recently, 8 new zones have been created, taking it to a total of 17.

Today, Indian Railways consist of a vast network of 7,349 stations spread over a route length of 67,368 km with a fleet of 11,452 locomotives, 70,937 passenger coaches, 11,452 other coaches and 277,987 wagons as in March 2016.

In addition to being an important means of transport the Indian Railways has been a great integrating factor of our country for the past 150 years. It has been able to connect far-flung places and has brought people closer to each other.

At present Indian Railways have three different gauges. A gauge is the distance between two metal rails on which the wheels of the locomotive roll or run. It conforms to three different standards in India. Railway network distribution in our country is dependent on many factors, viz. physiography, economy and administrative factor.

- Fact File**
- The length of road per 100 sq. km. of area is known as density of roads.
 - The density of roads is not uniform. It varies from just 12.14 in Jammu and Kashmir to 517.77 km in Kerala (as on 31st March 2011).
 - The national average is 142.68 as per the 31 March 2011 data.

- The level and extensive Northern Plains with high density of population, high industrial activity and rich agriculture, favour development of railways. However, the wide rivers that flow here cannot be crossed without bridges which become an additional cost for railways.
- The high relief, sparse population and lack of economic opportunities in the Himalayan region create

unfavourable conditions for laying the railway lines. Frequent landslides and rockfall are additional problems.

- The Peninsular regions with their hilly terrain also make it difficult to lay railway tracks. In such areas, railway tracks have to be laid through low hills or gaps or tunnels.
- The low flood plains of Assam and Bihar, where floods are common, have difficulty in maintaining railway lines.
- Other areas where laying railway tracks becomes difficult are, the sandy plains of western Rajasthan,

forest areas of Madhya Pradesh, Chhattisgarh, Odisha and Jharkhand and the swamps of Gujarat.

- Deserts of Rajasthan and the hilly tracks of the Sahayadris were unfavourable for development of railways. Earlier the stretch of Sahyadris could be crossed only through gaps and passes. This economically important zone now experiences the movement of passengers and goods which has been made possible by the development of the Konkan Railway. But this was also not without problems such as sinking of tracks and landslides.

Gauge in metres	Route (km)	Route Share (%)
Broad Gauge (1.676 m)	61,680	91.55
Metre Gauge (1,000 m)	3,479	5.18
Narrow Gauge (0.762 and 0.610)	2,209	3.27
Total	67,368	100

Source — India Railways

Problems

Though railways are important in our national economy, rail transport suffers from many problems :

- **Ticketless travellers** – Many people travel without tickets. This causes loss of revenue.
- **Thefts and damages** – Anti-social elements often steal things such as bulbs, handles, etc. from trains and also damage other railway property.
- **Chain-pulling** – At times people pull the chain unnecessarily which leads to delay in trains. This causes inconvenience and loss of revenue.

How can you as a citizen of India help to protect national property?

PIPELINES

This is a new addition to our modes of transport list. Pipelines have been used in the past to transport water to various places. Today, pipelines are used to transport crude oil, petroleum products and natural gas from oil and natural gas fields to refineries, fertiliser factories and big thermal power plants.

Advantages

- Pipelines can be laid under water or over mountains and under varied terrain.

- Pipelines require only the initial costs of laying pipes and have almost negligible running or repair and maintenance costs. New pipelines are made of materials which do not corrode.
- Pipelines reduce wastage and oil spills.
- It reduces trans-shipment losses and delays.
- Thermal power plants based on gas can be constructed at a much lower cost and in a much shorter time period.
- It is easy to monitor pipelines and keep a constant vigil over it as it is fixed and at one place.
- The far inland locations of refineries (Barauni, Mathura, Panipat) and gas based fertiliser plants could only be conceptualised due to this mode of transport.

Problems

The problems associated with this mode of transport are :

- Cost of laying the pipelines is very high.
- Danger of leakage.
- Political problems if the pipeline passes through another country.
- Danger of sabotage.
- Land use restricted.

WATERWAYS

Some river stretches have been declared as 'National Waterways' by the government. These are :

- National Waterways (NW) No. 1. Ganga-Bhagirathi-Hugli River

system between Allahabad (in Uttar Pradesh) and Haldia (in West Bengal). It covers Bihar and part of Jharkhand also and is 1650 km long.

- NW No. 2 Brahmaputra River system between Sadiya and Dhubri in Assam. It is 891 km long.
- NW No. 3 West Coast-Kottapuram-Komman, Udhogmandal and Champakara Canals in Kerala. It is 205 km long.

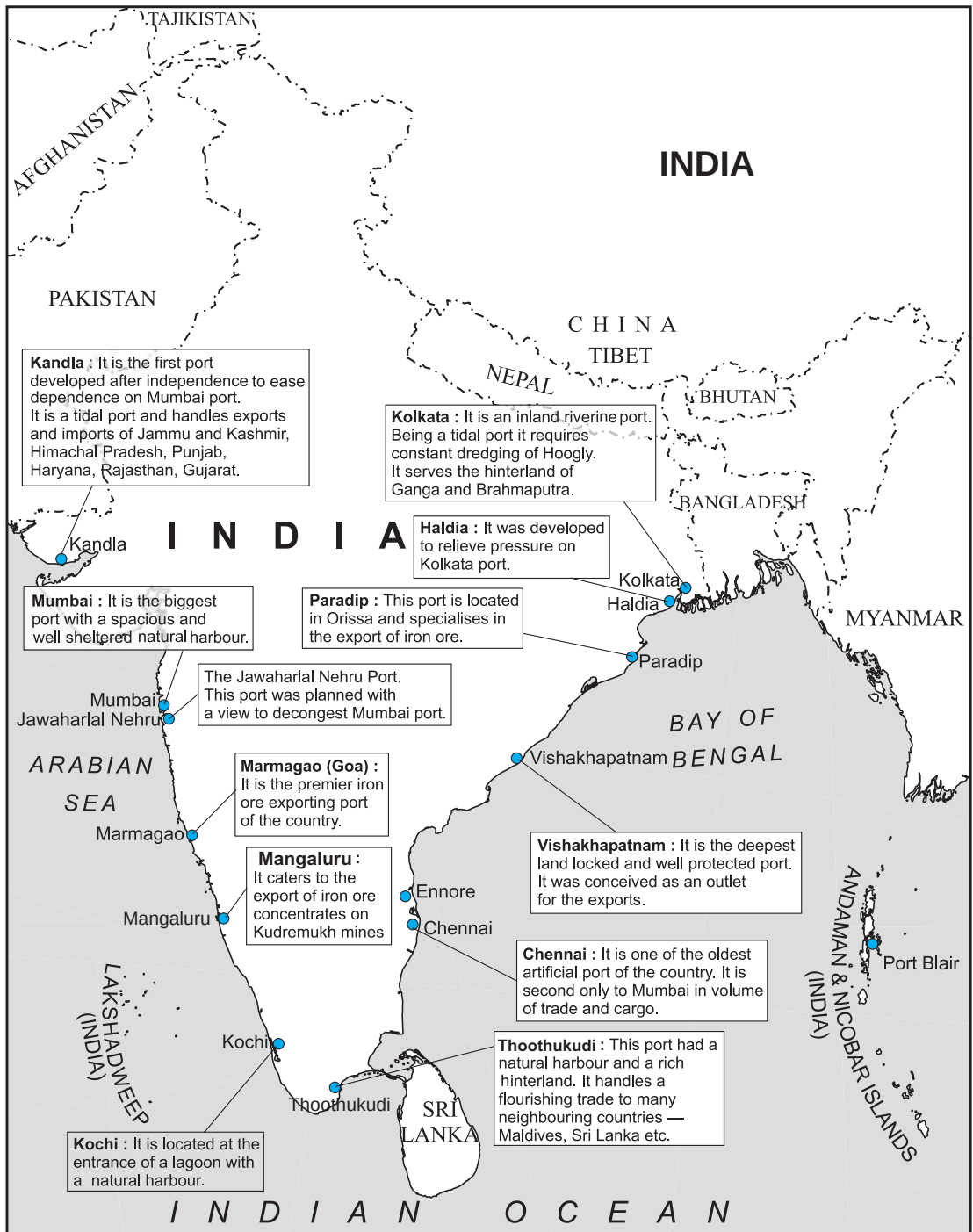
Other viable waterways include parts of rivers like Godavari, Barak, Krishna, Sunderbans, Buckingham Canal, Brahmani, East-West Canal and the Damodar Valley Corporation Canal.

Inland waterways are the oldest and cheapest means of transport. This means of transport includes boats, rafts and canoes sailing in rivers. Today India has total navigable inland waterways of 14,500 km in length. Out of these, 5,685 km are navigable by mechanised boats.

Advantages

- Waterways are the cheapest means of transport.
- It is the best means of transport to carry bulky and heavy goods at lower costs.
- It is fuel efficient as well as environment friendly.
- All perennial rivers can be used almost throughout the year.

Most of India's trade with foreign countries is carried from the ports located along the coast. There are 12 major ports and 187 minor or intermediate ports, along its coast line of 7,516 km. This



Major Sea Ports of India

accounts for 95 per cent of the country's trade volume (i.e., 68% in terms of value) being carried through sea ports. Details about all the major seaports of India are given in the map.

AIRWAYS

Airways provide the fastest means of transport although it is the costliest. It is also the most comfortable and prestigious mode of transportation. For inaccessible, remote and hostile areas airways are the best means of transport. During natural and man-made disasters airways have played a vital role.

Why do you think air transport is preferred in the north-eastern part of India? The reason is that this area is covered with dense forests. Many rivers with their frequent flooding schedule, dissected physiography and international frontiers create many problems. Accessibility and movability in these areas is difficult and laying roads and railways is a Herculean task. Air travel, on the other hand, is the best option to access these areas. This mode of transport can traverse difficult terrains, dense forests, dreary deserts, large rivers and even large oceanic stretches with great ease. Though air travel is more expensive than any other mode of transport, special provisions are provided to extend the services to the common people only in the north-east.

At the time of independence, air transport was operated by private operators. It was nationalised in 1953. After liberalisation, private sector was

allowed entry into this field. In 2007, Air India and Indian Airlines were merged under Air India Limited. As of May 2017, Air India was the third largest carrier in India (after Indigo and Jet Airways) with a market share of 13 per cent. However, on 28th June 2017, the Government of India announced the privatisation of Air India.

Helicopters are utilised to access difficult areas and remote and far flung areas of Jammu and Kashmir, Uttarakhand, Himachal Pradesh and the North-Eastern states. Pawanhans Helicopters Ltd. supplies its services in off-shore operations to Oil and Natural Gas Commission, and for traversing difficult terrains.

Air India has its services to the neighbouring countries of south and south-east Asia and the West-Asia.

COMMUNICATION

Various means of communication have been used by humans ever since they appeared on the earth. These means kept changing with the times. This pace of change has been very rapid in recent years. Progress in communication has been largely instrumental in placing India in the world league of knowledge expansion. It has also helped our country to gain competitive strength in agriculture, industry and national integration.

Means of communication can be divided into **personal communication** and **mass communication**.

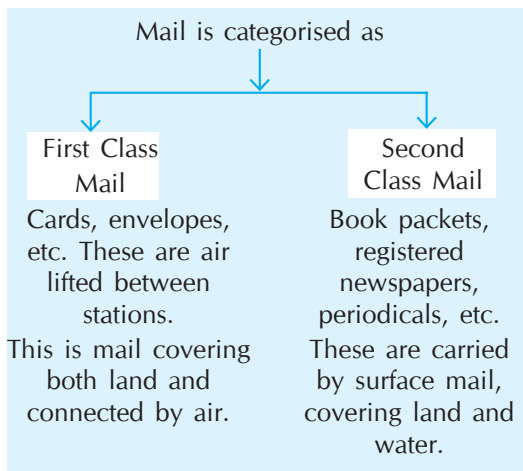
Postal written communications are termed as personal communication.





Major international and domestic airports of India

Such communications are handled by the Indian postal network. India's postal network is rated as the largest in the world. The Indian postal network boasts of 1.5 lakh post offices in the country of which 89 per cent are in the rural areas and the remaining in the urban areas.



It was realised that for quick delivery of mails, mail needed to be sorted out quickly. In order to overcome this problem a six mail channel system has been introduced in big towns and cities. The six channels are

1. Rajdhani Channel
2. Metro Channel
3. Green Channel
4. Business Channel
5. Bulk Mail Channel
6. Periodical Channel

Special letter boxes have been set up at strategic places in those cities where this system exists. Mail is collected in different boxes (each with a distinctive colour) for the first three channels. Mail of the business, bulk mail and periodical channels has to be booked at the concerned post offices. Today courier

services have also entered the field and offer quick service for the same facilities all over the world.

India has one of the largest **telecom networks** in Asia. It is ranked as the fifth largest in the world. India has about 37,565 telephone exchanges distributed throughout the country. For the past one decade or so, telecommunication activities have gained momentum in India. Efforts are on from both governmental and non-governmental sectors to enhance the infrastructure. The focus is to help India's socio-culturally diverse society to become familiar with and apt in using modern telecommunication technology so that our country gets recognition as a nation of technology-aware people.

The telecommunication system in India was thrown open to private companies in the 1990s. The country is divided into multiple zones, called circles, which are roughly along state boundaries. Government and private companies run local and long-distance telephone services. Competition has caused prices to fall down and today calls across India are among the cheapest in the world. Landlines today are facing stiff competition from mobile telephones. This fierce competition forced landline services to improve.

By integrating the development in space technology with communication technology, our country has been able to cover more than two-thirds of the villages in India with Subscriber Trunk Dialling telephone facility. This is known as STD facility. This facility has been extended for

24 hours to every village in the country. This has, to a large extent, boosted in uninterrupted communication between villages and towns, between buyers and sellers, and between consumers and producers. This has helped in the interchange of information from the grassroots to the higher authorities and vice versa.

Mass communication includes television, radio, newspapers, magazines, books and even films. It is so named as it can communicate ideas, policies and national issues directly to the masses. This helps in creating awareness among the people.

In India, only the government owned **Doordarshan** is allowed to broadcast terrestrial television signals.

Doordarshan broadcasts many programmes which range from educational to entertainment to sports. These programmes are designed for different age groups. Today a large number of private channels have started

operating. These have become very popular. Regional channels are also in great demand in regions of their operation.

The All India Radio, which is also known as Akashwani, is a very forceful mass medium. It broadcasts programmes in national, regional and local languages for people of all regions and all age groups. The All India Radio has 200 radio stations and some 327 transmitters.

Recently, FM (frequency modulation) radio stations have also been started by private companies.

India publishes a large number of dailies and periodicals in different languages from various cities. Newspapers are published in about 100 languages and dialects.

India is the hub of commercial films in Asia. It produces short films, video feature films and video short films. The **Central Board of Film Certification** is the authority which certifies both Indian and foreign films.

POINTS TO REMEMBER

- Development in transport and communication has shrunk distances and made the world a global village.
- India has one of the largest networks of roads in the world. It's road network totals to about 2.3 million km
- National Highways connect states with their capital and to the national capital.
- The Border Roads Organisation constructs border roads. These roads are strategically important for the nation.
- The Indian Railways is the largest public sector undertaking in the country.
- Pipelines are new modes of transportation, especially for crude oil and gas.
- India has total navigable inland waterways of 14,500 km in length. Nearly 5,685 of it are navigable by mechanised boats.
- Airways provide fast means of travel to inaccessible, remote and hostile areas.
- Helicopters are used for short distance air travel and these are useful during times of calamity.

IMPORTANT TERMS

- o **diversities** : Quality of being different.
- o **pluralities** : The state of being more than one.
- o **culvert** : A small bridge over a natural or artificial water channel.
- o **national highways** : Roads that connect one state with another and are of national importance.
- o **state highways** : Roads that join state capitals with district headquarters and other important towns.
- o **border roads** : These are vital road links along the frontiers of our country.
- o **gauge** : The distance between two metal rails on which the wheels of the locomotives run.

EXERCISES



I. Multiple Choice Questions

1. India has one of the largest networks of which of the following modes of transport.
(a) Roadways (b) Railways (c) Waterways (d) Pipelines
2. Which of the following are the primary road systems of our country?
(a) National Highways (b) State highways
(c) District roads (d) Border roads
3. Which of the following was the first port to be developed soon after independence?
(a) Bombay (b) Calcutta (c) Paradip (d) Kandla
4. An economical and environmentally friendly mode of transportation, best suited for carrying heavy and bulky goods at lower costs, is:
(a) Air Transport (b) Rail Transport
(c) Water Transport (d) Road Transport
5. Imagine you are a transportation manager responsible for overseeing rail operations. Which of the following challenges directly impacts rail transport's efficiency and revenue generation?
(a) Lack of passengers (b) Insufficient railway stations
(c) Ticketless travellers and thefts (d) Overcrowded trains
6. You're an environmental advocate looking for a transportation solution that minimizes fuel consumption and has a positive impact on the environment. Which mode of transport aligns with your goals?
(a) Air transport (b) Roadways (c) Waterways (d) Railways
7. **Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.**

Assertion (A): India is ranked as the fifth largest telecom network in the world.

Reason (R): India has about 37,565 telephone exchanges distributed throughout the country, and efforts from both governmental and non-governmental sectors are aimed at enhancing the telecommunication infrastructure.

- (a) Both the Assertion and Reason are true, and the Reason is the correct explanation of the Assertion.
- (b) Both the Assertion and Reason are true, but the Reason is not the correct explanation of the Assertion.
- (c) The Assertion is true, but the Reason is false.
- (d) The Assertion is false, but the Reason is true.
- (e) Both the Assertion and Reason are false.



II. Very Short Answer Questions

1. What are State Highways?
2. What is the name of the highway that connects the four large metro cities?
3. Write two advantages of airways.

III. Short Answer Questions

1. Name any four means of communication.
2. What are National Highways? Who constructs and maintains them?
3. Give two advantages of waterways.



IV. Long Answer Questions

1. Mention four merits and four demerits of road transportation with reference to India.
2. Give four reasons why the means of transport and communication are called the lifelines of a nation and its economy.
3. Why is road transport more useful than rail transport in India? Give four reasons.

[HOTS]

4. What is mass communication? What are the different means of mass communication?



THINGS TO DO

I. PROJECT WORK

Collect pictures and information about the different types of transportation from the olden days to the modern times. Paste them on a chart paper. Provide some information about them and label them like—fastest, latest, etc.



II. GROUP DISCUSSION

Hold a group discussion in the class regarding the various means of **Mass Communication**. Discuss about the latest means like e-mail, internet, blogs, twitter and facebook.



10 Map Reading

Shankho who stays in Guwahati in Assam is going to Kerala with his parents during the summer vacation. He is excited. He wants to know where Kerala is situated, and how far it is from his home town. Are there any rivers like the mighty Brahmaputra which flows through his city? How can he get answers to these questions without going there? Well! The solution is a 'map'.

RELATIVE ADVANTAGES OF GLOBES AND MAPS

A **map** is representation of a part or whole of the Earth's surface drawn according to a scale on a plain sheet of paper, cloth or wood. It gives an overall, bird's eye view of an area.

Globes are true representation of the spherical Earth in the form of a model. But if you look at a globe, you will see that you cannot view the entire Earth at a time until you rotate the globe.

This is not so with maps. On a map you can view the Earth in entirety at a glance. So maps were devised to study the Earth and to learn about the various features present on the surface of the Earth.

ATLAS

An Atlas is a book of maps. It has a collection of maps covering the entire world and many themes. The physical

and political features of the world as well as individual countries are presented through maps. Some maps are based on themes such as climate, wildlife, resources and certain population related features of particular countries or the entire world.

TYPES OF MAPS

Maps are drawn on the basis of information. They represent physical features, annual rainfall, vegetation, etc. They may also be classified on the basis of scale used for drawing the maps.

According to the information represented, maps may be classified as follows :

Physical maps contain information about relief features or landforms of the Earth like mountains, peaks, plateaus, plains, rivers, oceans, etc.

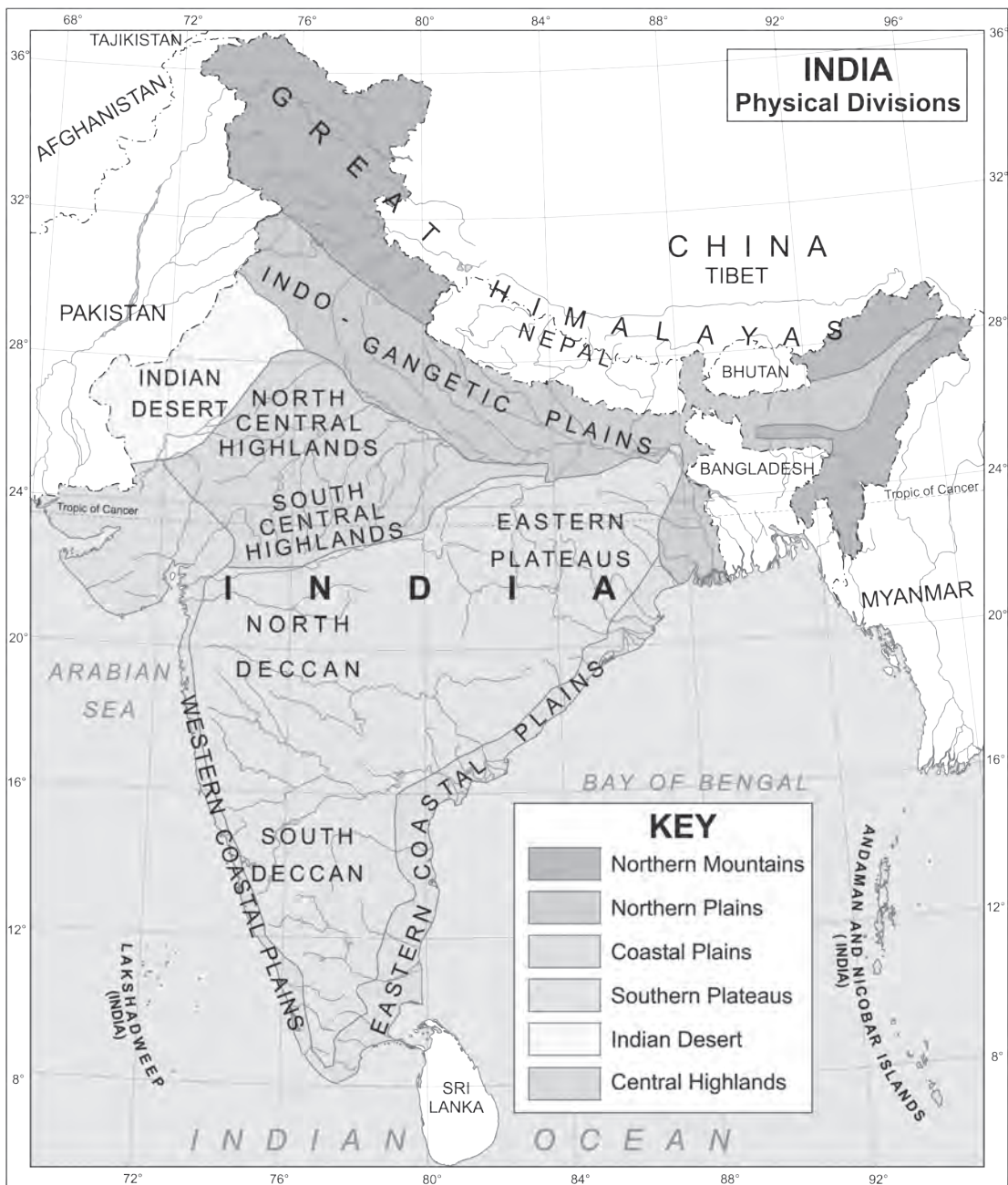
Political maps show the boundaries between different countries along with



Globe



Map



Physical map of India showing different physical features.



Political map of India showing political divisions of the country.

their states, capitals, cities, towns and villages.

Thematic maps show only selected features. They are based on specific information. They may be cultural maps depicting roads, railways, industries, minerals, population, etc. They may be climatic maps showing rainfall or temperature. They may be geological maps based on types of rocks and their age. Such maps may also depict the natural vegetation, wildlife or soil.

Based on the scale chosen for the map, they may be classified as follows :

Small scale maps show very large areas on a single map. Hence, they cannot show details, e.g., maps in atlases, especially world maps or maps of countries and continents. Scale is 1:100,000,000 or 1 cm = 1000 km.

Large scale maps show small areas in greater detail, e.g., guide maps of cities. Scale is 1:100 or 1 cm = 100 m.

TOPOGRAPHICAL MAP

Ordinance Survey Map or Topographical Map (or a topo sheet as it is commonly known) portrays as much as the scale of the map allows, both the natural features of the ground (topography, drainage and vegetation) and the man-made features (roads, rural and urban settlements and railways, etc.)



- It contains a lot of specified information and names of hills, villages, towns, ponds, rivers, forests and also the symbols representing official buildings such as post offices, inspection bungalows, rest houses and mines, etc.

- Thus, the main objective of a topographical map or survey sheet is to present in its miniature form a colourful, vivid picture of an area as it actually exists during the survey.

The Grid Reference

As stated earlier, the topographical maps bear the national grid of squares drawn to the scale of 2 cm = 1 km, with each square having a side measuring 1 km. These are the sheets most commonly used for various purposes and are of vital practical importance.

With reference to any of these sheets, the vertical lines are called Eastings since they are numbered from West to East. Similarly, the horizontal lines are called Northings because they are numbered from South to North.

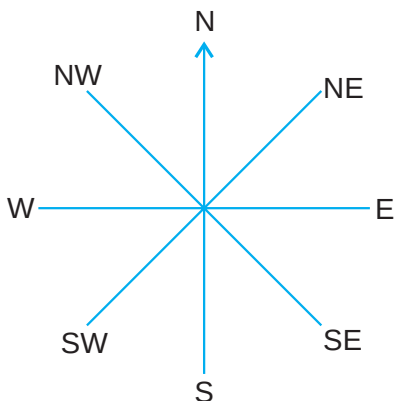
This network of horizontal and vertical lines, or the Eastings and Northings, is called the Grid. It is also identified as the Grid Reference.

ESSENTIAL FEATURES OF MAPS (Components of a Map — Direction, Scale, Conventional Signs and Symbols)

There are three components of maps – direction, distance (scale) and symbols.

When you look at any map you will notice the following features.

Though maps can be of various shapes and sizes, the latitude and longitude of the area (excepting sketch maps) are usually mentioned along the edges of the map.

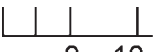


A compass showing directions or cardinal points



Usually at the top corner of the map you will see that the **direction** or **cardinal** points are marked by a vertical line with an arrow, a **north line**  pointing to the north.

At the bottom or corner of the map the **scale** of the map to represent distance are marked as 1 cm = 10 km or 1:10,00,000

or 
0 10 km

Conventional signs and symbols represent details without making the map clumsy.

1. DIRECTIONS

Directions for locating places on the map or round

Direction is the most important component of a map. It is important and useful to describe where one place is in

relation to another.

With reference to the North line, four major directions North (N), South (S), East (E), and West (W) can be determined. They are known as **Cardinal directions** and the points are referred to as **Cardinal points**. The **intermediate directions** in between these points are North-East (NE), South-East (SE), South-West (SW) and North-West (NW).

We can find directions by :

1. Finding the direction of the rising sun which would represent east. If your right hand points to the rising sun or east, your left hand would point to the west, north would be in front of you and south would be towards your back.
2. By looking at the Pole Star in the night sky, as the Pole Star is vertically above the North Pole.
3. By using a magnetic compass with North-South direction.

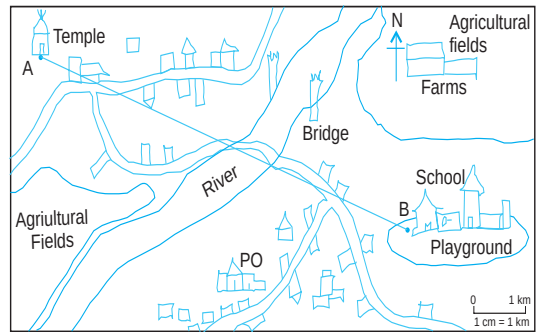


2. MAP SCALE

Scale is the ratio between the distance on **the map** and the actual distance on the ground.

The distance between any two points on **the map**, measured along a straight line, is the **map distance**. For example, distance between point A (Temple) and point B (School) is represented by 8.5 cm.

The actual distance between point A and B, measured along a straight line, is the **ground distance**. For example, the actual distance between A and B is 8.5 km. The relationship or ratio between the map distance and the ground distance is the scale of the map. Therefore, the scale is



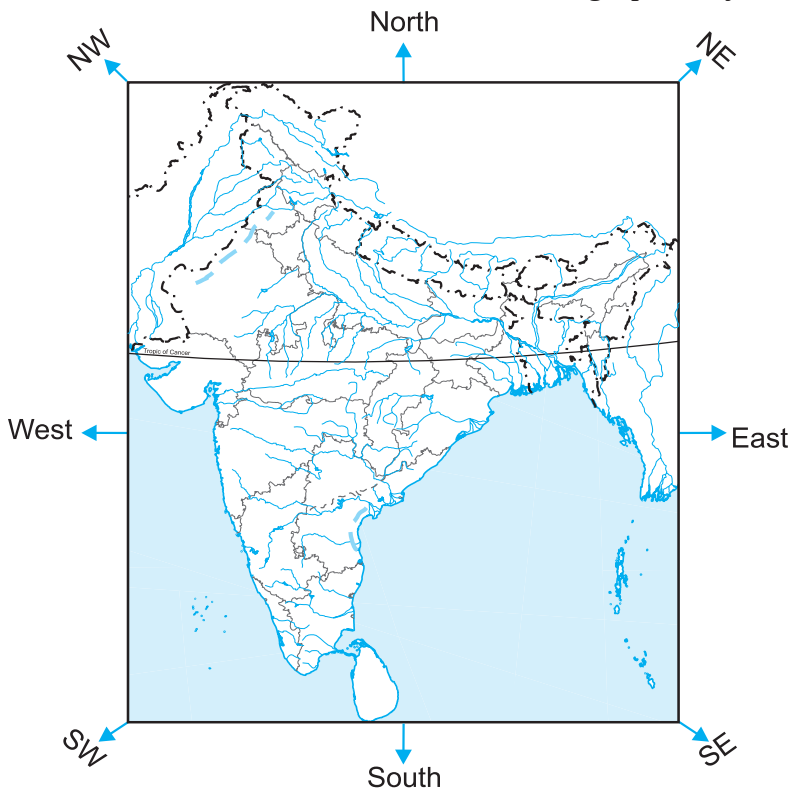
Map of a village

$$8.5 \text{ cm} = 8.5 \text{ km}$$

$$1 \text{ cm} = 1 \text{ km}$$

The scale of the map can be represented in the following ways :

1. By a **statement**, *e.g.*, 1 cm = 10 km.
2. **Linear Scale** where the scale is shown graphically on a map by



Four directions of a map

A number line for the 1000-500 range. The line is divided into four equal segments. Above the line, the numbers 0, 10, and 20 are marked, with the unit 'kilometres' at the end. Below the line, the numbers 'M 1000' and '500' are marked at the first and second segments respectively.

$$= \frac{\text{Distance on the map}}{\text{Distance on the ground}}$$

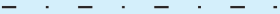
RF = 1: 10,00,000.



Maps provide a lot of information. Physical features like mountains, peaks, rivers, forests; political boundaries, social and cultural features like towns, settlements, temples, churches, mosques, roads, railways, bridges, etc., are shown within a map. It is not possible to present them in their actual shape and size within the map. It is also not possible to label all the features within the given map. Hence, detailed maps need to use a wide variety of signs, symbols, colour and letters to show all the different features without making the map clumsy. For example, blue colour represents water bodies, green represents forests or

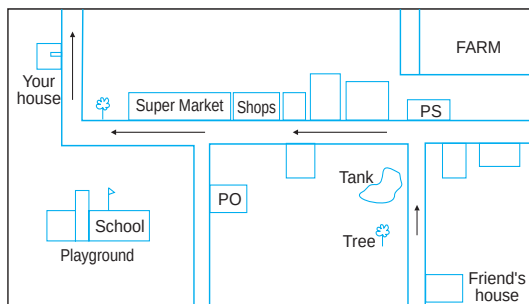
Sketch

A sketch is rough drawing of an area based on memory and field observation, not true to scale. It is a simple map that shows only some landmarks. They can be used to study some particular feature,

International Boundary		
State Boundary		
District Boundary		
Roads : Metalled		
Unmetalled		
Railways : Broad Gauge		
Other Gauges		
River banks; Streams, Dams		
Wells : Lined; Unlined, Tank		
Contours		
Towns or Villages : Inhabited; Fort		
Huts, Temple, Church, Mosque, Graveyard		
Trees, Grass, Forest : Reserved		RF
Post Office,		PO
Telegraph Office,		TO
Police Station		PS

Conventional signs and symbols

e.g. road network.



A Sketch Map

The sketch helps us to locate some particular place or features with respect to other places or features. For example, you may draw a sketch map to tell a friend the direction to your house.

Plan

When we want to construct a house or a building we need an accurate layout showing the length and breadth of rooms, position of doors and windows,

actual distance of the main road from the house and all relevant details. A small area is shown on a large scale, e.g., 1 cm = 1 m. It is accurate and shows all minor details. Such a large scale map showing all minor details of a small area with accuracy is called a **plan**.

Fact File

Map reading helps us in staying safe, enables in discovering places, provides possibility of adventure, helps in understanding the environment and broadens our horizon.

Thus, we may conclude by saying that maps are very useful in the study of geography. Their simplicity makes them useful even for a layman. In the modern shrinking world the usefulness of maps has become all the more important.

POINTS TO REMEMBER

- A map is a representation of a part or whole of the earth's surface drawn as per a scale on a plain surface.
- A globe is the representation of the spherical earth in the form of a model.
- An atlas is a book of maps. All types of map are given in it.
- Maps are of various types based on the different themes on which they are prepared.
- Direction, distance (scale) and symbols are the three main components of maps.
- Scale is the ratio between the distance on the map and the actual distance on the ground.
- Maps used a wide variety of signs, symbols, colour and letters to show different features on them.

IMPORTANT TERMS

- **Map** : A representation of a part or whole of the Earth's surface, drawn to scale, on a flat surface.
- **Globe** : A true model of the spherical Earth.
- **Atlas** : A book of map collection.

- o **Components of map** : Direction, scale, signs and symbols are the components of map.
- o **Cardinal Directions** : Four major directions — North, South, East and West.
- o **Scale** : Ratio between the distance on the map and the actual distance on the ground.
- o **Conventional signs** : Universally accepted signs and symbols to represent various components on a map.
- o **Sketch** : A rough outline of an area based on memory and field observations not based on scale.
- o **Plan** : True to scale, detailed layout of a small area on a large scale.

EXERCISES

I. Multiple Choice Questions

1. The ratio between the actual distance on the ground and the distance shown on the map is called a:

(a) Distance
(b) Direction
(c) Scale
(d) Cardinal point
2. As a geography enthusiast, you want to quickly observe the entire Earth's surface. Which representation would you choose?

(a) Maps, because they offer a true 3D view of the Earth.
(b) Maps, because they provide a comprehensive view at a glance.
(c) Globes, because they allow easy rotation for full Earth observation.
(d) Globes, because they show a bird's eye view of the planet.
3. Imagine you're an architect tasked with designing a new house. What type of map would you create to accurately showcase room dimensions, door and window placements, and other intricate details?

(a) A city map to highlight nearby landmarks.
(b) A map showing the surrounding neighborhood.
(c) A map representing a large area on a small scale.
(d) A large scale map with precise details called a plan.
4. Imagine you're a tourist exploring an unfamiliar region. How might a topographical map assist you?

(a) By suggesting popular souvenirs to buy.
(b) By indicating locations for trendy shopping malls.
(c) By providing navigation details, elevation changes, and landmarks.
(d) By offering historical anecdotes about the region.



II. Very Short Answer Questions

1. What is a map?
2. What is an atlas?



III. Short Answer Questions

1. What is a small scale map?
2. Give any two examples of large scale maps.



IV. Long Answer Questions

1. Differentiate between a physical map and a political map.
2. What do thematic maps show?
3. Briefly explain the three components of a map.
4. Why do you think map reading is an important skill?



[HOTS]

THINGS TO DO

I. ACTIVITY

Draw a plan of your classroom and show the teacher's table, blackboard, desks, door and windows.



Draw a sketch of your school and locate the following : the principal's room, your classroom, the playground, the library, the office complex.

II. PROJECT

Make an illustrative study of your locality/ neighbourhood. Draw sketch of your locality showing important landmarks, temple, roads, post office, hospital, market, bus stand, etc.



Make the plan of a fun-park on a fantasy land where you can enjoy several activities, for example, swings, slides, see-saw, merry-go-round, swimming, boating, etc.

UNIT - III

DEMOCRATIC POLITICS

Social divisions do exist in most of the countries. It strengthens as well as weakens democracy. It all depends on a country's citizens, the political parties and their leaders. If they place the nation above social differences, the unity, integrity and prosperity of a nation are ensured. If the social divisions are given priority, democracy and the very unity of a country are in jeopardy. In the light of this, let us examine the three prominent social differences in our own country – **Gender, religion and caste.**

GENDER AND POLITICS

A prominent social division in our country is the gender division. It is generally understood to be natural and unchangeable. It is based on social expectations and stereotypes about women for centuries. Boys and girls are brought up differently. They are made to believe that the main responsibility of women is housework and bringing up children. The main responsibility of men is to provide bread and butter to the family. Till date there is a **division of labour** based on gender in most families :

- Women cook, clean utensils, wash clothes, look after children, and do all work inside the four walls of the house.



- Men work outside. They work in fields in rural areas and in factories and offices in towns and cities.
- Men think it is only for women to do housework. When the same jobs are paid jobs, men do them happily. Most of the cooks in hotels and restaurants are men. Most of the tailors in rural as well as urban areas are men.
- At the same time, women also work outside their homes. In villages, they too work in fields (harvesting, weeding, sowing, transplanting, grazing cattle), collect fuel and firewood, fetch water from afar.
- In towns, poor and illiterate women work as domestic helps, whereas educated women work in offices. They are also teachers, lecturers, nurses, doctors, engineers, etc.

The fact is that the work of women is not valued and recognised in our society because much of it is unpaid work.

As a result of gender division of labour, women remained confined to the four walls of their houses. Even today their role in politics or public life is very limited. Though we have provided reservation for them in local self-governments and many of them are MLAs and MPs, their overall representation in political life is minimal. Till the early

decades of the twentieth century, women did not have voting rights in most of the countries. They could neither take part in electoral process nor contest seats for public offices. Gradually women organised and campaigned for voting rights. They also demanded several other rights : equal wage for equal work, improvement in educational and career opportunities, equality in personal and family life, maternity leave in offices, etc. These movements are collectively referred to as **Feminist Movements**.

So we find that political expression of gender division helped to improve women's role in public life. They are marching shoulder to shoulder with men in all walks of life. They are engineers, doctors, lawyers, scientists, executives, teachers in schools and colleges. They are also members of parliament. In India, we have few women Chief Ministers, a number of them are ministers in Union and State Cabinets. Droupadi Murmu was elected as President in 2022. The first woman President was Pratibha Patil.

Condition of Women in Our Society

Indian society is still a **patriarchal** society. There is male domination in family, offices and all walks of life. Father, rather than mother, is the head of the family. Most of the family decisions are taken by male members in a family. In rural areas, there are still large joint families.

During Jawaharlal Nehru's prime ministership, Hindu Code Bill was

passed (raising the age of consent and marriage, it upheld monogamy, gave women the right to divorce, maintenance, inheritance, treated dowry as **Stridhan** or women's property). Recently women have been given the legal right to inherit father's agricultural property. Dowry laws have become stringent.

Still women in our society face disadvantage, discrimination and oppression. Let us look at certain facts and figures.

- Literacy rate among women is 65.46 per cent as against 82.14 per cent for men. School dropout rate is much higher among girls than boys. This is because of poverty and limited income. Parents prefer to spend their resources on boys who are future bread winners of the family, rather than girls who shall be married off and become part of another family. In the field of higher and technical education, proportion of girl students is significantly lower than that of boys.
- Proportion of women in highly paid jobs and higher posts is still very small. On an average a woman works one hour more than an average man per day. But women's work is not recognised because much of it is housework which is unpaid.
- In almost all areas of work, women are paid less than men for equal work. This is despite the Equal Wages Act 1976 which provides for equal pay for equal work.

- Expectation from women is extremely high. She is expected to be an ideal wife, ideal mother to children, ideal daughter-in-law who brings a lot of dowry and looks after the elderly. A working woman has to work in office as well as take care of domestic chores.
- Still Indians prefer birth of sons to daughters. A girl child is sometimes aborted before birth despite such abortions being illegal. This has resulted in decline of sex ratio in the country.
- As per 2011 Census, the sex ratio is 940 females per 1000 males, up from 933 as per 2001 Census. It was 927 in 1991. From 972 females per 1000 males in 1901, the figure stood at 946 in 1951.
- Child sex ratio (number of girls per thousand boys) in the country is merely 914 (Census 2011).
- Domestic violence is still practised. Women are beaten and harassed by their in-laws for dowry. Exploitation at workplace and harassment of various kinds are reported in the media very often.

Women's Representation in Politics

In spite of significant improvement in women's conditions, there is a lot to be done. Many social and political thinkers as well as leaders of women's movements feel that only empowerment of women can lead to a solution of their problems. More women need to

be elected to legislative bodies like parliament and state assemblies.

The percentage of elected women members in Lok Sabha is around 10 per cent. Their representation in state assemblies is less than 6 per cent. Representation of women in the union and state council of ministers is low. Though we had a woman Prime Minister for a long time (Indira Gandhi) and women Presidents (Pratibha Patil and Droupadi Murmu), some women Chief Ministers and governors, their overall representation in politics is quite low in comparison to other countries/regions.

Thanks to the Panchayati Raj Amendment Act, one-third of seats in panchayats and municipalities have been reserved for women. We have more than 10 lakh elected women representatives in these bodies. Women's Reservation Bill envisaging 33 per cent reservation of seats for women in the Lok Sabha and State Assemblies is pending before the Parliament. There is no consensus among various political parties on various provisions of the Bill. Some parties feel that if the Bill is passed in its current form, most of the winning candidates would be from upper castes because of paucity of suitable candidates from lower castes, scheduled caste and tribes.

So we arrive at the conclusion that political expression of gender division has been beneficial. It has led to significant improvement in status of women. We also find that the disadvantaged groups

sometimes stand to gain if issues related to them are highlighted and become political issues.

COMMUNALISM

What is communalism?

Famous historian Bipan Chandra observes : the concept of communalism is based on the belief that religious distinction is the most important and fundamental distinction, and this distinction overrides, all other distinctions. Hence, social, economic, cultural and political interest of people of various religions are also dissimilar and divergent.

The problem begins when religion is seen as the basis of the nation. The problem becomes more acute when religion is expressed in politics in exclusive and partisan terms, when one religion and its followers are pitted against another. This happens when beliefs of one religion are presented as superior to those of other religions, when the demands of one religious group are formed in opposition to another and when state power is used to establish domination of one religious group over the rest. This manner of using religion in politics is communal politics.

Features of Communalism

- Religion is the principal basis of social community.
- The followers of a particular religion belong to one community.
- Fundamental interests – socio-economic and political interests – of a particular religious community are the same.



- People who follow different religions cannot belong to the same social community.
- Whatever similarities are there among followers of different religions, these are superficial and insignificant.
- Interests of various religious communities are different and mutually conflicting.
- Ultimate ideological conclusion is that people belonging to different religions cannot live together as equal citizens. Either one of them has to dominate the rest or they have to form different nations. This was the extreme form of communalism practised under the aegis of the Muslim League which led to the Partition of India. The Muslims believed that Hindus were bound to dominate Muslims in all walks of life after Independence.

Political Expression of Communalism

- **Expression of communalism in everyday beliefs**– These involve religious prejudices against certain religious community, stereotypes, belief in superiority of one's own religion.
- **Political dominance**– Often there is political dominance of majority religious groups over minority called majoritarianism. As in Sri Lanka where there is domination of Buddhists over Tamil Hindus, Muslims and Christians. Followers

of minority community have strong desire to form a separate nation or autonomous political unit.

- **Political mobilisation of masses on religious lines**– political leaders exploit sacred symbols, instigate local religious leaders, emotional appeal, fear to polarise people of one religion for political gains. This happens during elections.
- **Communal violence, riots and massacre for political gains**– Muslim League led by M.A. Jinnah used these to effect partition of India. Even in post-Independence period there have been worst communal riots at the instigation of political parties.



CASTE AND POLITICS

Political expression of gender division has been largely positive with improvement in overall condition of women in our society and the world over. Political expression of religion has largely been negative with far-reaching negative consequences for our country and society, even for the world. Political expression of casteism has seen both

positive as well as negative outcomes. Casteism is a unique phenomenon in our society.

Politics Based on Caste

Casteism is based on the belief that people of same caste form a separate social community which has similar social, economic and political interests. These interests are different from those of other castes.

- Generally, people of a same caste vote en bloc for a candidate of the same or different caste.
- When they do not vote en bloc they prefer a candidate of their own caste irrespective of the merits or demerits of the candidates.
- While selecting a candidate for a particular constituency, parties keep in mind the caste composition of the electorate, and whether the candidate would be able to get the support of the majority caste.
- The office bearers of a party are appointed on the basis of caste to please or not to displease a caste group in the party and in the constituency.
- If the caste candidate happens to belong to the caste in majority in the constituency, it is presumed that he would be elected. If he is elected he is presumed to have been supported by the caste in majority. If he is not elected, it is presumed that the majority caste did not support him. Or the voters of all other castes united to defeat him.

Do You Know?

Different caste groups have their loyalties behind different political parties and their ideologies. Right from his birth, an Indian citizen inherits a caste and grows up as a member of a particular caste group.

- Political parties take care to give fair representation to various castes and tribes in the Council of Ministers.
- Parties and candidates appeal to the caste sentiments of voters to muster support.
- Particular political parties are known to favour particular castes. On the other hand, particular castes are known to favour particular parties.

In fact, adoption of the principle of universal adult franchise and single transferable vote compelled political parties to go to people to mobilise and secure votes. Castes which were neglected until then became much sought after.

From the above discussion, we are likely to believe that caste is the most important factor in elections. This is not the case. Caste is one of the important factors. Sometimes it is rendered totally insignificant. Issues like development and candidate's past performance, merits and demerits become key factors. Let us consider the following arguments :

- No parliamentary constituency has clear majority of one single caste. More than two castes generally inhabit a constituency. A candidate or a party needs to secure the confidence of more than one caste to win elections.
- It is impossible to secure votes of all the voters of a caste in a constituency. There are a host of other factors that count. If a large proportion of voters from a

particular caste vote for a candidate, we call it the 'vote bank' of a particular party.

- It generally so happens that many political parties put up candidates from the same predominant caste in a constituency. Therefore, naturally, all members of the predominant caste cannot vote for the same candidate. Generally there are more than one candidate from the castes making up sizeable member of voters' list whereas many voters have no candidate from their caste.
- The ruling party and incumbent MPs and MLAs frequently lose elections. If all castes and communities repeatedly voted for the same political party, same parties and candidates would have kept on winning elections. This is not the case.

So, what is the conclusion? It is :

- Caste is only one of the important factors in electoral politics.
- Voters' attachment to political parties is stronger than their attachment to a particular caste or religion.
- Depending on their economic background or economic benefit or loss, voters from the same caste or community vote differently.
- Rich and poor, farmers and those in government service and businessmen or men and women from the same caste are quite likely to vote for different candidates.

- Decisive factors are : performance of the government/party/candidate ; popularity and personality of the party leaders.

Influence of Politics on Caste

There is a two-way relationship between caste and politics. Politics influences the caste system and the caste system influences politics. There is politicisation of the castes who are drawn into the political arena.

Let us see how it happens.

- Each caste group has a tendency to grow bigger by including in its fold most immediate castes or sub-castes.
- Many caste groups form some sort of coalition with other caste groups around some important social and political issues.
- Recently new kind of caste groups

have come up, especially after the implementation of the Mandal Commission report. All upper castes are referred as 'Forward' castes and others as 'Backward' castes.

As usual, political expression of caste division has led to positive as well as negative outcomes. Caste politics has led to reservation of seats in government jobs for Scheduled Castes, Scheduled Tribes and Other Backward Classes. These caste groups today have more presence in the three organs of the government. Several lower castes are now demanding more share in land, resources and other opportunities. On the other hand, caste division has also resulted in conflict and violence. Politics based on caste identity alone is not healthy for democracy. Important issues like poverty, illiteracy, unemployment and corruption are generally overshadowed by politics based on casteism.

POINTS TO REMEMBER

- The main responsibility of man is to provide bread and butter to the family.
- Indian society is still a patriarchal society. There is a male domination in family, offices and all walks of life. Father, rather than mother, is the head of the family. Most of the family decisions are taken by male members in a family.
- In almost all areas of work, women are paid less than men for equal work. This is despite the Equal Wages Act which provides for equal pay for equal work.
- Casteism is based on the belief that people of same caste form a separate social community which has similar social, economic and political interests.
- Particular political parties are known to favour particular castes. On the other hand, particular castes are known to favour particular parties.
- Voter's attachment to political parties is stronger than their attachment to a particular caste or religion.

- Recently new kind of caste groups have come up, especially after the implementation of the Mandal Commission report. All upper castes are referred as 'Forward' castes and others as 'Backward' castes.

IMPORTANT TERMS

- Sexual division of labour** : A system of division of labour in a family where all domestic works or house chores like cooking, cleaning, washing etc, are done by women directly or through maid-servants. Men work outside as bread-winners of the family.
- Feminist** : One who believes in giving equal rights and opportunities to both men and women. This may be a man or a woman or an organisation.
- Patriarchy** : Its literal meaning is rule by father. It is a system where father is the head of the family and all important decisions are taken by male members of a family to the exclusion and seclusion of women.
- Family laws** : Domestic laws like marriage, divorce, adoption, inheritance of family property. We have different family laws for different religions.
- Caste in politics** : Politics based on caste system; where caste system influences politics.
- Politics in caste** : Politicisation of caste system; where politics influences the caste system.
- Urbanisation** : Large exodus of population from rural areas to urban area (cities, towns) for jobs and other better opportunities. Industrialisation leads to urbanisation.
- Caste hierarchy** : A social formation in which all castes are grouped as 'upper' and 'lower' in relation to one another.

EXERCISES

I. Multiple Choice Questions

- What is meant by 'gender division'?
 - Division between the rich and the poor
 - Division between males and females
 - Division between educated and uneducated
 - None of the above
- A man was having a discussion regarding communal politics with his friend. Aman's friend spoke a few statements given below.
 - State power is used to establish the domination of one religious group over the rest.
 - Communal politics is based on the idea that religion is the principal basis of a social community.



(iii) Beliefs of one religion are presented as superior to those of other religions.

Select the correct option

- (a) i and ii (b) ii and iii (c) i, ii and iii (d) iii only

3. What does the term “communalism” refer to?

- (a) Cooperation among different religious groups
(b) Excessive involvement of religious leaders in politics
(c) Religious expression within a democracy
(d) Religious division and conflict in politics

II. Very Short Answer Questions

1. Name a famous leader who was associated with Muslim League?
2. Name one factor which influences the Indian politics.



III. Short Answer Questions

1. What is the main demand of women organisations and activists regarding reservation of seats for women in the Lok Sabha and State Assemblies?
2. What is the meaning of patriarchal society?



IV. Long Answer Questions

1. State two reasons to say that caste alone cannot determine elections in India.
2. ‘Caste can take various forms in politics.’ Give any six reasons in support of the statement.
3. Describe the influence of politics on caste system.
4. Explain the main features of communalism.

[HOTS]

V. Case Based Questions

In the diverse democratic nation of “Unity Land,” social divisions significantly influence the country’s political landscape. Three key social divisions - Gender, Religion, and Caste - shape the way citizens engage in politics and contribute to the complex fabric of the nation’s unity and democracy.

Gender division has historically played a pivotal role in shaping political participation in Unity Land. Traditional gender roles have confined women primarily to domestic spheres, limiting their access to public life and governance. Over time, however, feminist movements have advocated for gender equality, leading to important changes in the political landscape. Despite improvements, the gender gap in political representation remains noticeable, indicating the need for further progress. While women have made strides in various fields, including holding political office, the



unequal distribution of political power based on gender remains a challenge to Unity Land's democratic principles.

Communalism, the belief in the superiority of one's religion and the political expression of religious divisions, poses challenges to Unity Land's unity and democratic values. When religion becomes a basis for political mobilization, it can lead to polarization and social conflicts. Instances of majoritarianism and minority marginalization can threaten social cohesion. However, if managed correctly, the peaceful coexistence of diverse religious communities can enrich Unity Land's democracy by fostering open discussions and embracing pluralism. The balance between respecting religious identities and prioritizing the nation's unity is crucial for sustaining a healthy democracy.

Caste divisions have deeply penetrated Unity Land's political sphere, influencing voter behavior, candidate selection, and policy considerations. Political parties often strategize to appeal to specific caste groups, aiming to secure their support during elections. While this approach can provide representation to historically marginalized castes, it also perpetuates divisions and prevents broader cross-caste solidarity. Reservation policies have been implemented to address historical injustices and promote social inclusion. However, the challenge lies in balancing such measures with the goal of fostering a united society where caste identity does not hinder cooperation and progress.

Now answer the following questions:

1. Discuss the role of gender division in Unity Land's political landscape.
2. Evaluate the impact of communalism on unity and democracy in Unity Land.
3. Analyse the Intersection of caste and political behaviour in Unity Land:
4. Assess Unity Land's efforts to promote inclusive representation amidst social divisions.

12

Power Sharing Mechanisms in Democracy

WHAT IS FEDERALISM?



Federalism is a system of government in which power is constitutionally divided between the national or central government and various regional units. Each government is autonomous. Federalism allows two sets of identities ; people belong to the region as well as the country. For example, one can be an Assamese as well as an Indian. The national government in a federation holds powers related to common national interests like Defence, Foreign policy, Finance, etc. The provincial or state governments hold powers related to regional interests like law and order. The central and state governments have independent, distinct and exclusive powers. Thus, we conclude that vertical division of power sharing is most commonly referred to as federalism.

Under the unitary system, real and effective powers are in the hands of the national or union government. The centre can transfer some of its powers to regional levels on its own. The central government can pass orders to the provincial or regional governments which are subordinate to it. But in a federal system, the regional governments

are not subordinate to the centre; hence, it cannot pass orders to them. State or regional governments are not answerable to the central government. Both the set of governments are separately answerable to their respective legislatures or to the people.

Key Features of Federalism

- There are two or more tiers or levels of government.
- Various levels of government rule or administer the same citizens but each level has its own jurisdiction in specific matters of administration, taxation and legislation.
- The Constitution guarantees existence and authority of each tier of government. Powers and functions of various levels of governments are clearly stated in the Constitution.
- Amendment or modification of basic features of the Constitution cannot be done by any level unilaterally. It requires legal consent of both the levels of government.
- To prevent conflicts between the centre and the regional units, there is an independent judiciary to settle disputes. The courts have been vested with powers to settle disputes over distribution of power. The highest court of the land (in our case, the

Supreme Court) is the final and supreme interpreter of the laws of the land.

- Financial autonomy of various tiers of government is ensured by allotting distinct sources of revenue to each tier, though in India's case the states are very much dependent on the centre for finance.
- The two main objectives of a federal government are : (i) to safeguard and promote the unity and integrity of a country. (ii) to accommodate regional diversity.

An ideal federal system is based on mutual trust of constituent units of federation and agreement to live together and abide by the constitutional provisions.

But the balance of power between the central and state governments is slightly tilted towards the former or the later depending on the historical context of formation of federation. Formation of federations has either been from 'below' or from 'above'. The first route involves coming together of independent states or constituents on their own to form a bigger unit. They sought to increase their security and quicker development by pooling together their sovereignty but retaining identity. For example, the thirteen states of America initially came together to form a federation called the United States of America. This type of **'coming together' federations** include the USA, Switzerland and Australia. In this category, the constituent states have

equal powers and the balance of power is slightly tilted towards them. They are strong vis-a-vis the federal government.

The second route of formation of a federation is where a big country decides to distribute power between the centre and states or constituent units. This is called **'holding together' federations**. India, Spain and Belgium are good examples of this category. In this category, the balance of power is slightly tilted towards the centre. The central government is generally more powerful vis-a-vis the states. Some units are granted more powers than others. In case of India, the states have been given more powers than the union territories.

THE INDIAN FEDERATION



The Constitution declared India as a Union of States. Although it did not use or specify the word federation, the Indian Union is based on the principles of federalism. We find that most of the features of federalism mentioned above apply to the provisions of Indian Constitution. Originally, the Constitution provided for two sets of government : one at the Centre and other at the State level. Later on, a third tier of government in the form of Panchayats and Municipalities was added. As we shall see, each tier has separate and distinct set of powers.

The Constitution has made clear-cut provisions for the subjects on which the central and the state governments

can pass laws. This clearly states the division of powers between the Centre and the state governments. They come under different lists of subjects, and are called the Union List, the State List and the Concurrent List.

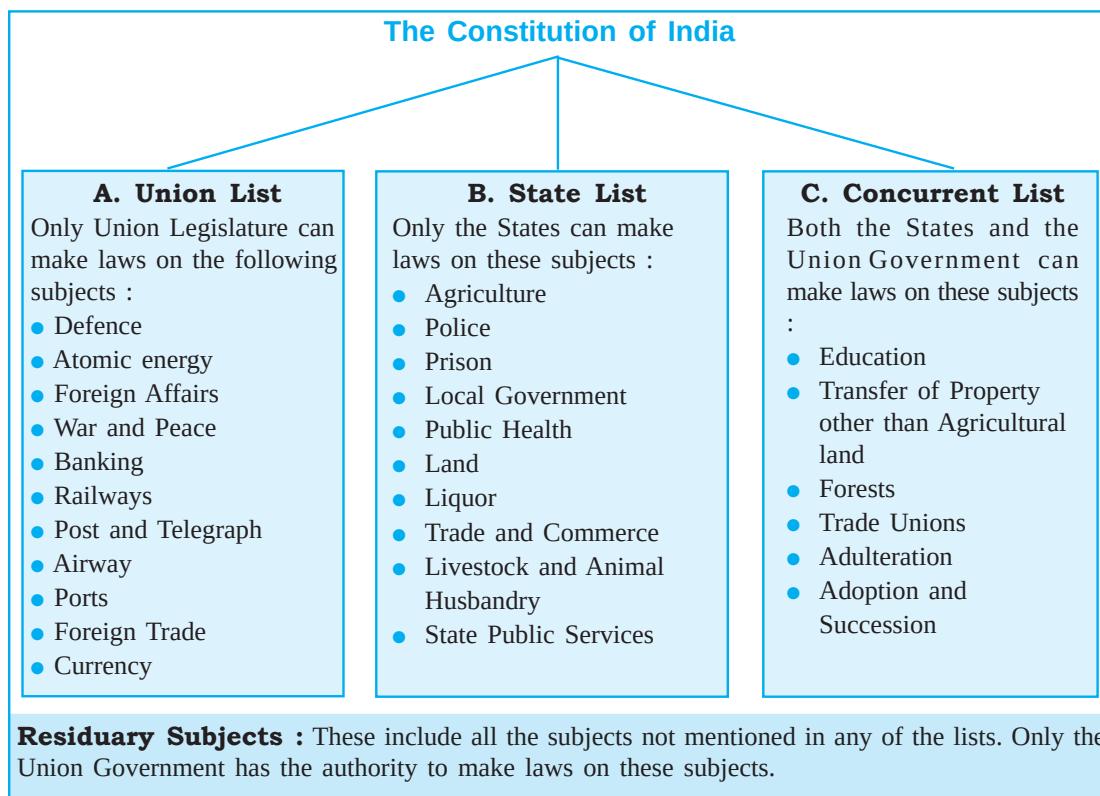
The Union List has 97 subjects.
The State List has 61 subjects.
The Concurrent List has 47 subjects.

(a) The Union List : Subjects of national interests come under this list. For example, defence, foreign policy, atomic energy, banking, post and telegraph are included in this list. Only the central government

can pass laws on subjects mentioned in this list.

(b) The State List : It contains those important subjects on which the state governments can pass laws. Subjects like police, local government, trade and commerce within the state and agriculture are included in this list.

(c) The Concurrent List : The Constitution has provided a third list, which has subjects which are the common concerns of both the Centre and State governments. In ordinary circumstances, both can frame laws on these subjects. But if there is a conflict between a Central law and a State law over a



subject in the Concurrent List, then the Central law would be effective. This list includes subjects like criminal and civil procedure, marriage and divorce, education, economic planning, trade union, etc.

Do You Know?

According to now deleted, Article 370, in the case of Jammu and Kashmir, the central government had only limited powers. Powers listed in the Union List and Concurrent List could be used only with the consent of the state government. Thus, J & K had a separate constitution and a flag. This Article 370 has been scrapped in August 2019.

Those subjects which do not fall under any of the above three categories, are put under the 'residuary' subjects, over which only the Union Government has the power to make the laws.

WORKING OF FEDERALISM IN INDIA

Moving for consideration the Draft Constitution in the Constituent Assembly, B.R. Ambedkar said, "Both the Union and the States are created by the Constitution, both derive their respective authority from the Constitution. The one is not subordinate to the other in its own field ; the authority of one is to coordinate with that of the other."

One of the reasons for the success of Indian federalism is the clearly laid

out provisions in the Constitution. But that is hardly enough. The federal experiment has succeeded in the last sixty-eight years mainly because of the nature of democratic politics in our country. Jawaharlal Nehru and his cabinet colleagues had deep faith in ideals of democratic politics. They nurtured these ideals carefully. The spirit of federalism, unity in diversity and desire for living together were our shared ideals since the freedom struggle. Despite obvious problems we continue to cherish these ideals. Let us examine some of the ways in which this has happened.

Creation of Linguistic States

The case for creation of linguistic states as administrative units was very strong. Language is closely related to culture and therefore to the customs of people. Democracy can become real to the common people only when politics and administration are conducted through the language they can understand.

The boundaries of provinces in pre-1947 India had been drawn in a haphazard manner as the British conquest of India had proceeded for nearly a hundred years. Most of the provinces were multilingual and multicultural. This ultimately led to the demand for the creation of linguistic states after independence. In 1954, the States Reorganisation Commission was formed and it recommended the creation of linguistic states. In 1956, reorganisation of some states took place. This saw the beginning of the creation of linguistic states and the process is still continuing.



If you compare the political maps of India in 1947 and 2018, you will be astonished by the changes. Areas, boundaries and names of the states have been changed because many old states have disappeared and new ones have been created.

Our Language Policy

The language problem was the most divisive issue in the first twenty years of independence. People love their language, it is an integral part of their culture. India is believed to have 1,652

mother tongues of which 29 are spoken by people numbering over a million.

The issue of a national language was resolved as the Constitution makers virtually accepted all the major languages as 'languages of India'. No one language was given the status of a national language. Hindi was granted the status of the official language as it is spoken by the maximum number of Indians. It is the mother tongue of about 40 per cent of Indians. English was granted the status of an associate language



Map A — India in 1947

whose use for official purposes was to continue till 1965. But many southern states (where the common languages are Tamil, Telugu, Kannada, Malayalam) demanded the use of English for official purposes to continue for an indefinite period. The central government adopted a flexible attitude and accepted this demand. Though the central government continues to encourage and promote the use of Hindi for official purposes, Hindi has not been imposed on any state. The states have their own official languages and associate languages. All official work is carried-out in the official language of the state which is also the mother tongue of maximum number of people of the concerned state.

Study the given maps

Map A is a political map of India of 1947, when it became independent. It tells us about the number of provinces the British had organised for administrative purposes. There were a number of princely states. After independence, the boundaries of the states changed many times. A large number of princely states merged with the Indian Union.

In Map B we see the present status. New states were created to ensure that those who spoke the same language lived in the same state. Haryana was carved out of the Punjab on the linguistic basis. Apart from linguistic homogeneity, some states were created to recognise differences based on culture, ethnicity or geography. States like Nagaland (1963), Uttarakhand (created out of Uttar Pradesh in 2000) and Jharkhand (created out of Bihar in 2000) belong to

this category. Similarly, Telangana was created out of Andhra Pradesh in 2014.

In August 2019, The former state of Jammu and Kashmir was bifurcated into two union territories of J&K and Ladakh.

The officially recognised languages are twenty-two. The Eighth Schedule was added to the Constitution to indicate all regional languages statutorily recognised. The Eighth Schedule originally contained 14 languages. Sindhi was added in 1962. By the 71st Amendment to the Constitution, Konkani, Manipuri and Nepali were added to the list in 1992. In 2003, four more languages were added – Bodo, Dogri, Maithili and Santhali (by 92nd Amendment). A candidate appearing in an examination for any of the All-India Services can write answers in any of the scheduled languages.

The wisdom, caution and flexibility shown by the nationalist leaders regarding language policy led to peaceful settlement of the issue.

Centre-State relations

The federalism in India has been strengthened by adhering to the letter and spirit of the Constitution by the Centre as well as the states. The ruling parties and their leaders at both levels of government have exhibited remarkable sagacity and wisdom to maintain a cordial relation. In several decades after independence, the government at the Centre and in most of the states belonged to the same party, that is, Congress. Hence, the relations were obviously cordial, efficient and



Map B – India at present

The States Plead for More Powers



State Chief Ministers going to the Centre with begging bowls for funds.

normal. However, centre-state relations became strained after rise of regional parties like DMK in Tamil Nadu, TDP in Andhra Pradesh, Akali Dal in Punjab. The central government misused Article 356 to impose President's rule in a state and to dismiss the state governments controlled by rival parties. This naturally undermined the spirit of federalism. The regional parties, which were a few, couldn't galvanise their power because the central government was invariably controlled by one national party – Congress.

The decline in the popularity of Congress Party after 1990 was one of the reasons for the rise of new regional parties in many states of the country. This was the beginning of an era of coalition governments at the Centre. No single party got a majority in the Lok Sabha. The single-largest party had to enter into an alliance with regional

parties to form a government at the Centre on the basis of common minimum programme. Obviously the regional parties grew in stature and power. This resulted in a culture of power-sharing and respect for the state governments which were often led by regional parties. Moreover, the recommendations of the Sarkaria Commission (on Centre-State relations) and various judgements of the Supreme Court made it difficult for the central government to dismiss state governments arbitrarily. This has strengthened the federal setup of the country.

DECENTRALISATION IN INDIA



We have so far discussed two sets of governments – one at the Centre and another at State level. But a vast country like India with regional problems and diversities in resources needed a third tier

of government at the local level called local self-government. It was necessary to take some of the powers of the Central and State governments and give it to the panchayats and municipalities. When power is taken away from Central and State governments and transferred to autonomous local self-government, it is called **decentralisation**. Following factors were behind the decentralisation of power in India.

- (i) Several states of India are bigger than independent countries of Europe. For example, Uttar Pradesh is bigger (in terms of population) than Russia, Maharashtra is as big as Germany. For the sake of efficiency in administration, a state had to give some of the powers to local self-governments.
- (ii) A large number of issues and problems are best settled at local level because these may be different in different localities of same state.
- (iii) People at local level have better knowledge of problems and solutions at local level. They have original and better ideas to spend money wherever needed and to better manage the resources.
- (iv) If local people directly participate in the processes of governance, democracy is strengthened at the grassroot level.
- (v) Our national leaders like Mahatma Gandhi and Jawaharlal Nehru emphasised the need for setting up local self-government. The

Directive Principles of State Policy (Article 40) directs the government to organise village panchayats as units of self-government.

First step was the Community Development Programme of 1952. Then a three-tier Panchayati Raj system of local government was started in the rural areas.

But in the beginning, these local bodies did not have enough powers and functions to look after the local development. They were dependent on the State and Central government for fund. Elections to these local governments were not held regularly with the result that powers were concentrated in the hands of a few people for several years. Local governments did not have powers and resources of their own.

THREE-TIER SYSTEM OF PANCHAYATI RAJ

THE ZILA PARISHAD

(covers the entire rural district)



PANCHAYAT SAMITI

(Mandal or Taluka Panchayats :
Intermediary or Middle level)



GRAM PANCHAYAT

(Villages or Groups of Villages)

The 73rd and 74th amendments were passed by the Parliament in 1992. The first referred to rural local governments (referred to as Panchayati Raj institutions

or PRIs) while the 74th amendment made provisions for urban local governments (Nagarpalikas). They came into force in 1993.

RURAL LOCAL BODIES

The Three Tier Structure (73rd Amendment) — All states have now a uniform three-tier Panchayati Raj structure. At the base is the ‘Gram Panchayat,’ the middle level is referred to as Panchayat Samiti and at the apex is the ‘Zila Parishad’ covering the whole district. A few Gram Panchayats are grouped together to form what is called a Panchayat Samiti. Its members are elected by all the panchayat members in that area. All the Panchayat Samitis in a district together constitute the Zila Parishad. Most of its members are elected. Members of Lok Sabha and MLAs of that district are also its members. Zila Parishad chairperson is the political head of the Zila Parishad.

There is also a provision for the mandatory creation of Gram Sabhas. A Gram Sabha comprises all the adult members registered as voters in the Panchayat area.

Each village or a group of villages has a Gram Panchayat. This is a council consisting of panchas and a sarpanch. They are elected by all adult population in a village. The Gram Sabha supervises the functioning of Gram Panchayat. It approves the budget of Gram Panchayat and reviews its performance.

URBAN LOCAL BODIES

The 74th Amendment



The 74th amendment deals with urban local bodies or Nagarpalikas. All the features of the 73rd amendment are included in the 74th amendment. The only difference is that they refer to the urban areas. They also have :

- (i) Direct elections
- (ii) Reservations
- (iii) Transfer of subjects from the State List
- (iv) State Election Commission and
- (v) State Finance Commission.

In urban areas there are **Municipal Councils** for smaller urban areas and **Municipal Corporations** for the larger urban areas.

A Municipal Corporation is the highest local government institution working in each large urban area. There are about 70 Municipal Corporations in India. They look after subjects like

- (i) Town planning
- (ii) Economic and social development
- (iii) Construction and maintenance of roads and bridges
- (iv) Water supply
- (v) Public health and sanitation

The Municipal Council has one of its elected members as the Head and he/she is called the President, with a Vice President under him/her. The members of the Council look after the functions (18 items or subjects) included in the 12th schedule by the 74th amendment.

Thus in a democracy effort is made to include every social group in the sharing of power and for preserving the national unity.

IMPORTANT FEATURES OF LOCAL SELF-GOVERNMENT



- Now it is constitutionally mandatory to hold regular elections to local government bodies.
- Seats are reserved in the elected bodies and executive heads of these institutions for weaker sections of society such as Scheduled Castes, Scheduled Tribes and Other Backward Classes.
- About one-third of all seats are reserved for women.
- An independent institution called the State Election Commission has been created in each state to conduct panchayat and municipal elections.
- The state governments are required to share powers and revenue with local government bodies. The nature of sharing varies from state to state.
- A State Finance Commission examines the financial position of the local governments in the

state once in every five years. It also reviews the distribution of revenues between the state and local governments on the one hand and between rural and urban local governments on the other. This process ensures adequate allocation of funds to the rural local governments.

- The rights of the Adivasis are protected by a separate Act passed in 1996. Consistent with the spirit of diversity and decentralisation, the local traditions of the Adivasis are protected by this Act. It protects the Adivasi rights to manage their own resources in their own traditional ways.
- All the three levels of Panchayati Raj are elected directly by the people for a period of five years.

If it is dissolved before 5 years, fresh elections must be held within 6 months.

- Twenty-nine subjects, which were earlier in the state list of subjects have been transferred to Panchayats by the Constitution (73rd Amendment) Act, 1992. These have been included in the Eleventh Schedule of the Constitution.

POINTS TO REMEMBER

- Federation is a system of government in which the power is divided between a central authority and various constituent units of the country.
- Key features of federalism are :
 - (i) Two or more levels of government. (ii) Each level has its own jurisdiction in specific matters of legislation, taxation and administration. (iii) Authority and jurisdiction of

each tier is guaranteed by Constitution. (iv) Modification in fundamental provisions of Constitution require consent of all levels. (v) Courts have the power to decide disputes regarding powers and functions. (vi) Financial autonomy to each level (vii) Mutual trust and agreement to live together among various levels.

- The Constitution of India provides for a three-fold distribution of legislative powers. It contains three lists : (i) Union List (ii) State List (iii) Concurrent List.
- Three major decisions or processes prove the true nature of democratic politics in our country which has strengthened the federal principle in India – (i) Creation of linguistic states (ii) Language policy (iii) Centre-State relations.
- When power is taken away from Central and State governments and given to local government, it is called decentralisation.
- The creation of third tier of government in India – Panchayats and Municipalities – has resulted in effective decentralisation of power to local levels.

IMPORTANT TERMS

- o **Jurisdiction** : Area of legal authority or power of a person or a body or an institution.
- o **Union List** : The Union government alone can make laws on the subjects in the list.
- o **State List** : The State governments alone can make laws on the subjects contained in the list.
- o **Concurrent List** : On the subjects in this list both the Union and State governments can make laws.
- o **Coalition government** : Two or more political parties form a political alliance on the basis of common minimum programme to run a government. A coalition government is formed when no single political party gets a majority in Parliament or a Legislative Assembly election.
- o **Decentralisation** : When powers from the Central and State governments are transferred to local self-governments.

EXERCISES

I. Multiple Choice Questions

1. Which form of power sharing is most commonly referred to as federalism?
(a) Horizontal division of power
(b) Vertical division of power
(c) Division of power among various communities
(d) Sharing of power among political parties
2. The Gram Sabha supervises the functioning of
(a) Nyaya Panchayat
(b) Gram Panchayat
(c) Zila Parishad
(d) Block Samiti
3. The Concurrent List has
(a) 47 subjects (b) 51 subjects (c) 56 subjects (d) 50 subjects



4. Read the statements given below related to the concept of federalism:
- There are two or more tiers or levels of the government.
 - Judiciary settles disputes between centre and the regional units
 - Constitution guarantees existence and authority of each tier of government.
 - Amendment of the basic structure of the constitution can be done unilaterally.
- Which of the above-mentioned statements is/are not the feature of federalism?
- (a) I and iii (b) Only iv (c) ii and iv (d) I,ii,iii and iv
5. Directions: In the following question, a statement of Assertion (A) is followed by a statement of Reason (R). Mark the correct choice as:
- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- (b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
- (c) Assertion (A) is true but Reason (R) is false.
- (d) Assertion (A) is false but Reason (R) is true.
- Assertion: Currency is a part of Union List.
- Reason: It is a subject of national importance.

II. Very Short Answer Questions

- What was the main objective of Sarkaria Commission?
- Name the apex court of India.
- What is the popular name of rural local government?



III. Short Answer Questions

- Which countries follow 'coming together' style of federalism?
- Name the two amendments which gave legal status to local self-government in India.
- Mention two major objectives of a federal government.



IV. Long Answer Questions

- Differentiate between a federal and a unitary form of the government? Give an example.
- Mention any four factors behind the decentralisation of power in India.
- Explain the threefold distribution of legislative power between the Union Government and the State Governments.
- Describe any four features of federalism.
- Describe any four measures taken to decentralise power in India.

NECESSITY OF POLITICAL PARTIES IN A DEMOCRACY



Political parties are the life-blood of a democratic polity. It is particularly so in a country like India which has a multi-party system. If you travel to countryside and discuss politics with village folks, they will talk about various political parties, their leaders and their politics, though they may not know anything about our Constitution and its provisions. Most of us tend to be very critical of political parties and blame them for all the wrongs in our society. They are blamed for conflicts, divisions and unethical practices prevalent in our democracy and political life.

A century ago, there were few countries that had political parties, now there are few which do not have them. Most of the countries have several political parties. How did that happen? We shall discuss this. Let us first know the meaning, nature and functions of political parties.

Meaning and Nature

A political party is a group of people who share common ideology and aim to form government by contesting elections and winning a majority of the contested seats. Each political party has a set of policies and programmes declared publicly by election manifestos,

for promotion of common good of citizens. As the policies, programmes and ideologies of different political parties are different, they seek to win popular support in an election to be able to implement them.

Each party has a different social base representing the interests and aspirations of a part of the society. Thus, it involves partisanship. A party is known for its ideology, programmes and policies and the section of society whose interests it represents.

There are three essential components of a political party :

- the leaders
- the active members, and
- the followers.

Functions

The chief aim of a political party is to form the government at the centre or in a state. It aspires to do so by winning maximum number of seats for a legislature. This aim is sought to be fulfilled through following functions :

- 1. Contesting elections :** Political parties put up candidates in various constituencies to contest an election. In India, candidates are chosen by top leaders of a party who form a committee for selection of candidates after elections are declared. In the

USA and some other countries, members and followers of a party select candidates.

2. Declaring different policies and programmes : Each party has a different set of ideology, policy and programme which it desires to implement after forming government. The ruling party chooses the council of ministers which implements its policies and programmes. These have to be declared through an election manifesto at the time of election.

3. Making laws for the country : Laws are made after the bills are debated and passed by legislatures by a majority. The ruling party plays a pivotal role in deciding the nature and content of the laws. The influence of party's policies and ideology is quite apparent.

4. Parties form and run governments: The majority party in a legislature forms the government. Big policy decisions of the government are taken by the cabinet committees on political affairs, economic affairs, foreign policy, etc. Top leaders of the party form the cabinet which runs the government.

5. Role of opposition : The parties which fail to form government play the role of opposition inside the legislature and outside. They examine and criticise the government for its failures and wrong policies. They mobilise public opinion and

organise protests against policies of the government, price rise, bad law and order situation, etc.

6. Shaping public opinion : Opinion of people against and in favour of certain issues and policies of the government can make the prospects of a ruling party in the coming election. Opposition parties play a pivotal role in formation of public opinion through organising meetings, demonstrations, protests, dharnas, distribution of posters and pamphlets and by highlighting issues in the mass media.

7. Providing people access to government machinery and welfare schemes : An ordinary citizen finds it difficult to approach a minister or an officer. When a party leader becomes a minister, he is easily approachable by members of the party. A member of a ruling party can easily approach the government machinery through a local leader, say, an MLA, an MP or a councillor. Welfare schemes launched by the government are made easily accessible to citizens by a party which is responsible to people's needs and demands.

NUMBER OF PARTIES WE SHOULD HAVE



There are a large number of political parties in each country. In India, more than 1866 parties are

registered with the Election Commission of India. But only four or five parties are actually in the race to win elections and form the government.

There are three types of party systems:

(i) Multi-Party System (ii) Two-Party System and (iii) One-Party System.

(i) **Multi-Party System** is the most common type of party systems.

- In this system three or more parties have the capacity to gain control of government separately or in coalition.
- In this system, people form **multiple, distinct, officially recognised groups**, called political parties.
- Each party competes and contests for votes. This system is essential for a **representative democracy**, because it prevents a single-party leadership from making policies and controlling the government without challenge.
- In India, we have a multi-party system. When several parties in a multi-party system join hands for the purpose of contesting elections and winning power, it is called an **Alliance** or a front or a **Coalition**.
- On the negative side, multi-party system is cumbersome and leads to political instability, as

most of the time no single party has a clear majority.

- On the positive side, this system is healthy for a multi-religious and multi-lingual country like India with more than a billion population. This system allows all shades of interests and opinions to have a fair representation.

(ii) **In a Two-Party System** power shifts between two major dominant parties. In this system to win elections, the winner has to get maximum number of votes, but not necessarily a majority of votes. The smaller parties usually merge with the bigger parties or they drop out of elections.

- Such a party system prevails in the USA, United Kingdom and Canada, where only two parties win significant numbers of seats.
- Supporters of this system believe that this prevents dangers of fragmentation (too many parties winning seats from different constituencies) and the government can run smoothly.

(iii) **One-Party System** : There is no competition in this system. The lone party nominates the candidates and the voters have only two choices — (i) Not to vote at all or (ii) write 'yes' or 'no' against the name of the candidates

nominated by the party. This system has been popular in Communist countries and other authoritarian regimes. The countries following this system are China, North Korea and Cuba.

- Supporters of Single-Party System claim that this system enables the Government to mobilise every citizen to use his talents and energies towards a common goal.
- Single-party system, however, limits the choices and freedom of the citizens. This system is not a good option as this is not a democratic option.

None of the three systems is good or bad. No system is ideal for all countries and all situations. Party system is not selected or chosen by a country. It evolves over a period of time, depending on the nature of society, its social and religious divisions, its history of politics and its system of elections. These cannot

be changed as per one's convenience. Special socio-economic and political circumstances of a country throw up a particular party system. India's multiparty system is manifestation of its social and geographical diversity.

NATIONAL POLITICAL PARTIES



There are two kinds of political parties in most of the democracies – National parties and State parties. National parties are present in all or many of the federal units, whereas state parties are present in only one of the federal units.

In India, every party has to register with the Election Commission. Large parties are allotted an election symbol and given some privileges by the Election Commission of India. Such parties are called 'recognised political parties'. A party that secures at least six per cent of total votes in a Lok Sabha election or Assembly elections in any four states and wins at least four seats in the Lok

National Parties in India

S.No	Name	Abbreviation	Founding Dates
1.	Bharatiya Janata Party	BJP	April 1980
2.	Indian National Congress	INC	December 1885
3.	Communist Party of India (Marxist)	CIP-M	November 1964
4.	Aam Aadmi Party	AAP	November 2012
5.	Bahujan Samaj Party	BSP	April 1984
6.	National People's Party	NPP	January 2013

Sabha is given the status of a National party. A party that secures at least 6 per cent of the total votes in an election to the Legislative Assembly of a state and wins at least two seats is recognised as a state party. India has six recognised national parties.

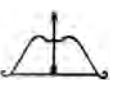
On 10 April 2023, the Election Commission of India revoked the national

party status of three former national parties – Trinamool Congress (TMC), Nationalist Congress Party (NCP) and the Communist Party of India (CPI). Subsequently ECI recognised Arvind Kejriwal's Aam Aadmi Party (AAP) as a national party. Now, the six national parties are – BJP, INC, CPI –M, AAP, BSP and NPP (National People's Party)

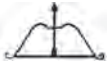
State Parties

S.No	Symbol	Party
1.		All India Anna Dravida Munnetra Kazhagam (AIADMK), Tamil Nadu (1972)
2.		All India Forward Bloc (AIFB), W. Bengal (1940)
3.		Arunachal Congress (AC), Arunachal Pradesh (1996)
4.		Asom Gana Parishad (AGP), Assam (1985)
5.		Biju Janata Dal (BJD), Odisha (1977)

S.No	Symbol	Party
6.		Dravida Munnetra Kazhagam (DMK), Tamil Nadu (1949)
7.		Federal Party of Manipur (FPM)
8.		Hill State People's Democratic Party (HSPDP), Meghalaya
9.		Indian National Lok Dal (INLD), Haryana (1977)
10.		Indigenous Nationalist Party of Tripura (INPT), Tripura (2001)
11.		Jammu & Kashmir National Conference (NC), J & K (1939)

S.No	Symbol	Party
12.		Jammu & Kashmir National Panthers Party (NPP), J & K
13.		Jammu & Kashmir People's Democratic Party (PDP), J & K (1999)
14.		Janadhipathya Samrakshana Sabha (JSS), Kerala
15.		Janata Dal (Secular) JD(S), Karnataka and Kerala
16.		Janata Dal (United) JD(U), Bihar and Jharkhand (1999)
17.		Jharkhand Mukti Morcha (JMM), Jharkhand (1973)
18.		Kerala Congress (Joseph) KC (J)
19.		Kerala Congress (Mani) KC (M), Kerala (1964)

S.No	Symbol	Party
20.		Maharashtrawadi Gomantak Party (MGP), Goa (1961)
21.		Manipur People's Party (MPP), Manipur (1968)
22.		Marumalarchi Dravida Munnetra Kazhagam (MDMK), Tamil Nadu (1993)
23.		Meghalaya Democratic Party (MDP), Meghalaya
24.		Mizo National Front (MNF), Mizoram (1961)
25.		Mizoram People's Conference (MPC) (1972)
26.		Indian Union Muslim League, Kerala, (1948)
27.		Nagaland People's Front (NPF), Nagaland (2002)
28.		Nationalist Democratic Movement (NDM), Nagaland

S.No	Symbol	Party
29.		Pattali Makkal Katchi (PMK), Tamil Nadu (1990)
30.		Rashtriya Janata Dal (RJD), Bihar (1998)
31.		Rashtriya Lok Dal (RLD), U.P. (1998)
32.		Revolutionary Socialist Party (RSP), W.Bengal (1940)
33.		Samajwadi Party (SP) U.P. (1992)
34.		Shiromani Akali Dal (SAD), Punjab (1920)
35.		Shiromani Akali Dal (Simranjit Singh Mann), SAD (Mann)
36.		Shiv Sena (SS)
37.		Sikkim Democratic Front (SDF)
38.		Telugu Desam Party (TDP), Andhra Pradesh (1982)

S.No	Symbol	Party
39.		United Democratic Party (UDP)
40.		United Goans Democratic Party (UGDP), Goa (1963)
41.		Uttarakhand Kranti Dal (UKD), Uttarakhand (1979)
42.		Zoram Nationalist Party (ZNP), Mizoram (1979)

SHAPING OF DEMOCRACY IN FAVOUR OF ORDINARY PEOPLE



Abraham Lincoln, the former President of the USA, defined democracy as, “a government by the people, of the people and for the people.” Thus, it is the people who should be the masters in democracy. Unfortunately, political parties adopt various unfair means to capture power neglecting people’s welfare and interests of ordinary citizens.

- There needs to be further decentralisation of power to grassroots level. Though, the constitution was amended in 1992, to make the local self-government more powerful and effective. At least one-third of all

positions are reserved for women in local bodies.

- The proportion of women in legislatures has been very low. Their strength in the Lok Sabha is only around 10 per cent of its total strength. Hence, women's organisations and activists have been demanding a reservation of at least one-third of seats in the Lok Sabha and State Assemblies for women.
- Pressure groups and movements need to galvanise their work to put pressure on governments to act in favour of ordinary people.
- To serve the interests of ordinary people and to act on their behalf political parties need to be reformed. Presently there are many lacunae in political parties such as lack of internal democracy, dynastic succession, role of money and muscle power in elections, limited alternative available to voters, etc. Laws should be made for redressal of the above lacunae.
- The focus of election campaigns needs to be shifted to development of people, the teeming millions of India. The role of caste and religion in politics need to be totally mitigated.
- It should be made mandatory for political parties to give a minimum number of tickets to women, dalits and poor people.
- Basic principles of democratic government should be applied across all regions, social groups and various institutions. Ensuring greater power to local governments, extension of federal principle to all units of federation, inclusion of women, minority groups and downtrodden sections in all welfare measures, should be strictly adhered to.
- Those institutions should be strengthened that help people's participation and control. This requires an attempt to bring down the control and influence of rich and powerful people in making governmental decisions.
- The quality of democracy depends on the degree of public participation. It would be difficult to reform politics if ordinary people simply criticise it from outside. The problem of bad politics can be solved by adopting better politics. That is possible only when ordinary citizens participate in the process of democracy.

POINTS TO REMEMBER

- A political party is a group of people who share common ideology and aim to form government by contesting elections and winning a majority of the contested seats.
- There are three essential components of a political party.

- (i) the leaders (ii) the active members, and (iii) the followers.
- In India we have a multi-party system. When several parties in a multi-party system join hands for the purpose of contesting elections and winning power, it is called an alliance or a front or a coalition.
- There are two kinds of political parties in most of the democracies—National parties and state parties. National parties are present in all or many of the federal units, whereas state parties are present in only one of the federal units.
- Pressure groups and movements need to galvanise their work to put pressure on governments to act in favour of ordinary people.

IMPORTANT TERMS

- o **Political party** : It is a group of people who come together to contest elections and hold power.
- o **Partisanship** : This means a tendency to take a side and be partial to somebody.
- o **Ruling party** : A party that forms government at the central or state level.
- o **Opposition party** : A party other than the ruling party in a legislature.
- o **Defection** : Changing party after an election to a legislative body.
- o **Communism** : A political movement that believes in an economic system in which the state controls the means of production and distribution on behalf of the people.

EXERCISES

I. Multiple Choice Questions



1. Who chooses the candidates for contesting elections in India?

(a) Members and supporters of the party	(b) Top party leader
(c) The existing government	(d) None of the these
2. Which of these countries has a one-party system?

(a) India	(b) China	(c) USA	(d) UK
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3. Which of these is not a good option for a democratic state?

(a) One-party system	(b) Two-party system
(c) Multi-party system	(d) None of the above
4. In the questions given below, there are two statements marked as Assertion (A) and Reason (R).
 Read the statements and choose the correct option.

(a) Both Assertion (A) and Reason (R) are true and Reason (R) is correct explanation of Assertion (A).
(b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
(c) Assertion (A) is true but Reason (R) is false.
(d) Assertion (A) is false but Reason (R) is true.

Assertion(A): Parties shape public opinion.

Reason(R): They raise and highlight issues of importance.

5. Which political party has this symbol?



- | | |
|------------------------|---------------------------------|
| (a) Telugu Desam Party | (b) Shiromani Akali Dal |
| (c) Shiv Sena | (d) Mizoram People's Conference |

II. Very Short Answer Questions

1. Name three components of a political party.
2. Define a political party.
3. What is the difference between a national party and a state party?



III. Short Answer Questions

1. Differentiate between a ruling party and an opposition party.
2. Name two countries each adhering to (i) one-party system (ii) two-party system.
3. Name the six national political parties of India.



IV. Long Answer Questions

1. Explain how a political party can shape public opinion.
2. State the various functions which political parties perform in a democracy.
3. What are the characteristics of a political party?
4. 'The quality of democracy depends on the degree of public participation.' Explain.

[HOTS]

THINGS TO DO

I. DEBATE

Organise a debate on the topic 'Reforming our political parties and leaders'. Each student should be given only five minutes to speak on the topic.
[Note : The class teacher should help participants to prepare the speech on political reforms by discussing the topic in detail in the classroom.]



II. SEMINAR

Which party system is better? One-party system/two-party system or multi-party system. This is a question often asked in political circles, in seminars, in debates and discussions. Organise a seminar on the topic 'which party-system is better? One-party system/ two- party system/ multi-party system. Select five bright students to speak at the seminar. Invite a local politician/ MLA/MP to speak at the seminar.

14

Outcomes of Democracy

ASSESSMENT OF THE OUTCOMES OF DEMOCRACY



Assessment of the performance of an individual or an institution depends on expectations. The expectations should neither be very high or low but just reasonable. Reasonable assessment is based on reasonable expectations. Assessment of outcomes of democracy is difficult because expectations are very high and unreasonable.

We have deep faith, a great interest and fascination for democracy. If we talk to people around us, most of them

are full of praise for democracy's ideals and principles but criticise its actual working. People consider it as the best alternative vis-a-vis monarchy or dictatorship or one-party rule. But they are not satisfied with its working. They prefer democracy for moral reasons, not for prudential reasons. Many of us blame democracy for all the ills and problems in our society.

Some kind of democratic politics are practised in more than a hundred countries in the world. They have constitutions, they hold periodic elections, they have political parties and they guarantee



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certain basic rights to people. But they are different in terms of socio-economic development and their cultures. It follows from this that achievements and developments are different for different democracies. India and the U.S are two largest democracies but they are quite different in terms of per capita income, literacy level, health indicators, etc. But there are certain things that we expect from all democracies.

We generally agree that democracy was better because of the following reasons :

- It promotes equality in society and enhances the dignity of citizens.
- It improves the quality of decision-making.
- It provides scope and mechanism for resolution of social conflicts.
- It allows ample space for correction of mistakes.

We are led to believe that democracy is the panacea for all socio-economic and political problems. Therefore, if some of our great expectations are not met, we jump to the conclusion that democracy is not a worthy system of government. We obviously forget the fact that democracy is just a form of government. It can simply create a conducive environment for socio-economic development. The citizens' role is to take advantage of the conditions and achieve these goals. Thus, democracy is one of the best means, not an end in itself, to achieve our goals as an individual, society and nation.

Now, let us assess the outcomes of

democracy on the basis of reasonable parameters of expectations.

ACCOUNTABILITY, RESPONSIVENESS AND LEGITIMACY OF GOVERNMENT



Advantages of Democracy

The basic premise of democracy is that sovereignty lies with the people. They elect their representatives to rule on their behalf. Therefore, the representatives should be accountable to the people. Citizens should be able to participate in the decision-making process. The most basic outcome of democracy it establishes is that the government should be accountable to the citizens, and responsive to their needs and expectations.

Disadvantages

One of the most common allegations against democracy is that it is less efficient than dictatorships or military regimes or monarchies. This is true and is rightly so because decisions have to be deliberated and voted in assemblies, they have to be modified keeping in mind the public opinion. The whole procedure takes a lot of time. On the other hand, non-democratic governments are very quick and efficient in taking decisions and their implementation. A democratic government is also blamed to be less effective than a non-democratic government. In a democracy, willingness and consent of people is paramount. All legal procedures have to be followed in detail.

Let us look at the other side of the coin. Quick decisions may not be acceptable to the people and therefore may face problems and be less effective. On the other hand, the democratic government takes a longer time to arrive at a decision because it follows certain laid down procedures. But precisely because it has deliberated at various forums at length and followed the public opinion, the decisions may be more acceptable to the people and more effective. Therefore, the cost of time that a democracy pays is worthwhile. Thus, the argument that a democratic government is less efficient and effective does not hold much water.

Let us move further. In a democracy decision making is based on deliberations and negotiations that follow certain norms and procedures. Hence, if a doubtful but honest citizen decides to know how a decision was taken, he/she can easily find out. A citizen has the right and the means to examine the process of decision making. This is called **transparency**, which is another hallmark of democracy. This factor is often missing from a non-democratic government whose decisions are often shrouded in mystery. All their decisions are generally aimed to strengthen the party's or dictator's hold on power. For a democracy, the interests and welfare of the people are supreme but for an authoritarian regime, the interests of the ruler/ruling party are supreme. We can compare the cases of China and India in this regard.

Thus, it is correct to expect democracy

to produce a government that follows procedures and is accountable to the citizens. A democratic government should develop mechanisms for citizens to hold it accountable and participate in the process of decision making. If democracies are to be measured on the basis of the above outcome, they should have following practices and institutions. These are regular, free and fair elections; open public debate on major policies and legislations; and the citizens' right to information about the process and procedures.

How Successful is Democracy

On the above outcomes, performance of democracies is not very satisfactory. They are genuinely enthusiastic about holding regular elections. But elections are generally not fair, nor do they provide a fair chance to every citizen to elect a representative or get himself/herself elected. We are familiar with electoral malpractices in democracies, including ours. Most democracies have set up conditions and paraphernalia for open public debate (e.g., mass media) but they shy away from subjecting every decision to public debate. Democratic governments are not good at sharing information with the public. They have an unencouraging record on this. Not long ago a particular government department asked for money from a citizen who wished to seek certain information in pursuance of his right to information. All said and done, democratic governments are better on aforesaid counts than non-democratic regimes.

It is reasonable to expect a democratic regime to be attentive to the needs and demands of the people. Democracy's record on this count is not fair. All over the world, more so in Asia and Africa, democracies often fall short of needs and demands of people and ignore them. It is also expected that a democratic regime is free of corruption. Unfortunately, corruption has become a way of life in democracies. Those with money and influence are often able to browbeat the law. In India, hardly twenty per cent of the funds meant for the poor reach them, the rest is misappropriated by the politicians and bureaucrats. As far as corruption is concerned, record of non-democracies is equally bad, if not worse. They are less sensitive to the needs and demands of the people. In fact, democracies are relatively more sensitive to the needs and welfare of the citizens.

There is one aspect where a democracy is much better than a non-democracy. A democratic government is essentially a legitimate government. It is backed by people's sanction to rule. Majority of countrymen elect a democratic government during an election. A democratic government may be slow in decision-making, less efficient, not always very responsive or clean. But it is elected by the people themselves, unlike an authoritarian regime which is backed by military and enjoys support of a small segment of the ruling elite. This is the basic reason why the idea of democracy enjoys overwhelming support from people all

over the world, from people living under democratic systems as well as under a monarchy or dictatorship. We read how the people's quest for democracy led to the overthrow of monarchy in Nepal. Our another neighbour, Bhutan is slowly but steadily marching towards democracy. Myanmar is also marching towards democracy. By nature human beings like to be ruled as per their wish and desire. This is only possible in a democracy where people elect their representatives to rule on their behalf.

All over the world people believe that democracy is the best form of government. Democracy's strength is people. In fact, democracy's ability to generate its own support is itself an outcome that is noteworthy.

ECONOMIC GROWTH AND DEVELOPMENT



Does democracy guarantee economic development? Not necessarily; though it is expected to produce good governments. If we consider the rate of economic growth in all democracies and dictatorships between the years 1950 and 2000, dictatorships have slightly higher rate of economic growth. Then, should we prefer dictatorship for this very reason? No, because democracy has many other positive outcomes. It is difficult for democracy to achieve higher economic development because for it, economic development alone does not count much. Reduction of socio-economic inequality and poverty is also important because

democracy aspires for maximum good to maximum number. Moreover, economic development depends on many other factors like population, global situation, international cooperation, economic priorities adopted by the country, etc. The difference in rates of economic development between less developed countries with dictatorships and democracies is negligible.

- Dictatorial regimes have had a slightly better record of economic growth. But when one compares their record with poor countries, there is not much difference.
- In democratic countries, the top 20% of people have much higher income than bottom 20% of population.

REDUCTION OF INEQUALITY AND POVERTY



One of the reasonable expectations from democracy is that it should reduce economic disparities. Democracy is not expected to allow concentration of wealth in the hands of a small percentage of people. Wide gulf between rich and poor must not be allowed to exist. All citizens should enjoy the benefit of economic development and lead a better life. Let us find the record of democracies on this count. Do democracies lead to a just distribution of goods and opportunities?

All democracies provide political equality to citizens. That is, all adult people, whether rich or poor, educated or illiterate, men or women have the

right to vote in periodic elections and elect their representatives. But political equality does not guarantee or necessitate economic equality. In fact, the reverse is happening. We find growing economic inequalities in almost all democracies. As we have seen above, a small number of people are very rich and have huge wealth and income. The majority of population is poor. They have to struggle hard to meet the basic needs of life, such as food, clothing, house, education and health. What is alarming is that the rich are growing richer and the poor are getting poorer.

Actually democracies are not doing what they are most expected to do. They are not very successful in reducing economic inequalities. We have studied about poverty in India. Nearly 40 per cent of the population still lives below the poverty line (BPL), and is unable to get minimum basic necessities of life. This is ironical because the poor constitute a large proportion of our voters and all parties seek to secure their votes to form government. Yet, political parties who form the government at the Centre and in States do not successfully address the question of poverty. Of course, there are many causes of poverty and in a country like India with over a billion population, it is a very difficult task. Poverty is the most noticeable stigma on democracies. The situation in many countries in Asia and Africa is worse than that of ours. More than half of the population in Bangladesh lives

in poverty. Poor democracies have to import foodgrains to feed their people.

Performance of non-democracies in reduction of inequality of wealth and income is worse; but they are not expected to address this problem.

DIGNITY AND FREEDOM OF CITIZENS



All human beings desire dignity and freedom. All of us want to be respected by our fellow beings. We also want freedom to do what we want to do. Recognition of these needs and desires is a characteristic of democracy. This principle of recognition of individual freedom and dignity has legal and moral backing in democracies. Indian constitution provides this by giving Fundamental Rights to all citizens. In a non-democratic set up, the principle of individual freedom and dignity does not have legal and moral sanction. The passion for respect, dignity and freedom are the basis of democracy. All democracies have recognised this principle and on this count a democratic form of government is superior to non-democratic governments. This does not mean that in all democracies all citizens enjoy complete freedom and equality. This is an end and a principle. Most complex societies have evolved and inequality, discrimination and subordination have been prevalent since long.

Most societies have struggled to secure these rights. Universal adult franchise is one of them. Women in most of the democracies are still fighting to secure equality, freedom and dignity.

Most of the societies were patriarchal societies where males dominated family, society and national stage. There is an awareness in democratic societies that women must be given equal rights, freedom and opportunity. Recognition of this principle makes it easier for women to wage a struggle for equality and dignity.

Indian Constitution does not recognise caste inequalities. There has been real efforts to grant equal status and equal opportunity to all caste groups. This has necessitated provision of reservation for Scheduled Castes, Scheduled Tribes and Other Backward Classes. Untouchability is abolished. Yet, there have been incidents of caste-based inequalities and atrocities by upper castes perpetrated on lower castes but these are few and far between because these lack moral and legal foundation.

Expectation from democracy is so high that its examination never ceases or halts. Democracy has to face and overcome challenges continuously because of our fascination and deep faith in it as the ideal form of government. More expectations breed more complaints because all of them are not fulfilled. The fact that there are more and more expectations and complaints provide testimony to the fact that democracy is the most successful form of government. A public expression of dissatisfaction with democracy shows the success of democracy as it transforms people from the status of a subject into that of a citizen. Most of us believe that our votes make a lot of difference the way government is run.

FACTORS THAT SUSTAIN DEMOCRACY IN INDIA



Indian democracy is successful, vibrant and responsive to the needs of the people. India is the largest democracy in the world and in spite of its several lacunae, people have reaffirmed their faith and appreciated its functioning. There are several factors that sustain democracy in India :

- Indian democracy successfully balances the principles of centralisation and federalism.
- There is a horizontal distribution of power among the three organs of government — legislature, executive and judiciary. Each organ has its own powers, functions and jurisdiction assigned by the Constitution. Yet, one organ influences, counteracts, checks and balances another, working in tandem, never going beyond its domain and authority.
- There is a vertical distribution of power among centre, states and local self-governments. The three-tier structure of government ensures participation of people across all regions and sections of society.
- We have an independent and integrated judicial system which acts as the guardian of the Constitution. The judiciary settles disputes between people, between the central and state governments and between two or more state governments.
- The Fundamental Rights guaranteed by the Constitution ensure dignity, freedom and all round development of individuals. In case of infringement of these rights, citizens can directly move the Supreme Court and the High Courts for redressal.
- The Directive Principles act as a guide and help in formulation of policies for the welfare and well-being of citizens.
- Moreover, Indian democracy is accountable and responsive to the needs and aspirations of people.
- All differences and conflicts are resolved peacefully by an independent judiciary.
- Though decision-making takes time, this reduces the chance of rash or irresponsible decisions.
- Moreover, Indian democracy is self-sustaining; it allows us to correct its own mistakes. It throws up problems as well as solutions automatically and simultaneously.

POINTS TO REMEMBER

- Assessment of outcomes of democracy is difficult because expectations are very high and unreasonable.
- Democracy promotes equality in society and enhances the dignity of citizens.
- The basic premise of democracy is that sovereignty lies with the people. They elect their representatives to rule on their behalf. Therefore, the representative should be accountable to the people.
- A citizen has the right and the means to examine the process of decision making. This is called transparency, which is another hallmark of democracy.
- All democracies provide political equality to citizens. That is, all adult people, whether rich or poor, educated or illiterate, men or women have the right to vote in periodic elections and elect their representatives.
- The Fundamental Rights guaranteed by the Constitution ensure dignity, freedom and all round development of individuals.
- Decision-making takes time in democracy but it reduces the chance of rash or irresponsible decisions.

IMPORTANT TERMS

- **Democracy** : Demos + cracy, i.e, rule of the people.
- **Authoritarian regime/dictatorship** : It can be rule by a military junta or rule by one leader or party. Here all powers are concentrated in the hands of one leader or one party.
- **Social diversity** : Existence of people of various ethnic, linguistic and cultural groups in a society.
- **Poverty** : An economic situation where family income is so low that it cannot afford basic necessities of life.
- **Legitimate** : For which there is a fair and acceptable reason.

EXERCISES

I. Multiple Choice Questions

1. Which factor is often found missing from a non-democratic government?
(a) Efficiency (b) Effectiveness
(c) Transparency (d) None of these
2. Which type of government is based on the idea of deliberation and negotiation?
(a) Monarchy (b) Democracy
(c) Dictatorship (d) Oligarchy
3. What kind of equality is found in all democracies?
(a) Social equality (b) Economic equality
(c) Political equality (d) None of these



4. When assessing democracies based on expected outcomes, which of the following practices and institutions would be considered?
- (i) Regular, free, and fair elections
 - (ii) Denying representation of women in Parliament
 - (iii) Open public debate on major policies
 - (iv) Citizens' right to information about the government

Options:

- (a) (i), (ii) and (iv)
 - (b) (ii), (iii) and (iv)
 - (c) (i), (iii) and (iv)
 - (d) (i) and (iv)
5. Examine the following statements and identify the one that does not apply to non-democratic regimes:
- (a) Non-democratic regimes are not concerned with public opinion.
 - (b) The principle of individual dignity has legal force in non-democratic regimes.
 - (c) Non-democratic regimes make decisions more quickly.
 - (d) Non-democratic regimes often suppress internal social differences.

II. Very Short Answer Questions

- 1. What should be the most basic outcome of democracy?
- 2. Which type of government has high degree of economic inequalities?



III. Short Answer Questions

- 1. What is transparency?
- 2. Which provision of the Indian Constitution grants equal status to all citizens?
- 3. Which measures have been taken by the government of India for improving the status of weaker sections?



IV. Long Answer Questions

- 1. How does democracy produce an accountable, responsive and legitimate government?
- 2. "Democracy is the better form of government." Support the statement with three arguments.
- 3. Discuss the merits and demerits of democracy in the light of your study of the chapter.
- 4. 'Democracy stands much superior to any other form of government in promoting dignity and freedom of the individual.' Discuss.
- 5. Explain the factors that sustain democracy in India.



[HOTS]

UNIT - IV

UNDERSTANDING AN ECONOMY

15 Development

INTRODUCTION

The term 'development' highlights the need and means to provide better living conditions for people of the country. It includes not only economic growth but also human development by providing facilities for better health, nutrition, education and a clean environment for living. Thus, development is the process of developing or being developed.

The emotional, social and physical development of young children has a direct effect on their overall development. Therefore, it is very important to invest in young children in the form of health and education. We should not forget that children are also a part of the human resource of the country.



Development



MEANING OF DEVELOPMENT

Development involves goals and aspirations of people and about the ways in which they work towards achieving these goals. We know that different persons can have different developmental goals. What may be development for one may not be development for the other. It may even be destructive for the other. For example, construction of a dam may be developmental goal for an industrialist, but the same dam can create havoc with the life of people who need to be evacuated in the catchment area.

Similarly, different people have different developmental needs. These needs are based on their particular life situations. For example;

- (i) For a person in a remote village, access to an all-weather road can be the developmental goal or need. But on the other hand, for a person living in Delhi or Mumbai, construction of a rapid mass transit system may be the developmental goal.
- (ii) A landless rural labourer may like more days of work and better wages because he wants to provide good education to his children.
- (iii) A rich farmer may like to have assured high income through higher



minimum support prices for his crops. Probably, he may like his children to settle down abroad.

- (iv) A girl from an urban family may desire as much freedom as her brother gets. She wants to decide herself what she wants to do in life. May be she has the aspirations to pursue her studies abroad.
- (v) An urban unemployed youth would like a job according to his qualifications. He also wants to fulfil his desires and aspirations.

Thus, the idea of development or progress has always been with us. We all have aspirations and desires about what we would like to do and how we would like to live. Similarly, we have ideas about what a country should be like. What are the essential things that we require? Can life be better for all? How should people live together? Can there be more equality?

Development involves thinking about these questions and about the ways in which we can work towards achieving these goals.

NATIONAL DEVELOPMENT



As we have discussed earlier, individuals seek different goals. Similarly, their notion of national development is also likely to be different. Even they may have the conflicting notions of country's development. For example, if we try to think what India has to do to develop, then we will have many different ideas in our mind but may not be sure of anything. This is because we know that the development of one

person may not be the development for the other. National development is the development of a country in all aspects.

Development may mean different things for different people, then how come some countries are generally called developed and others under-developed? Before explaining this, let us consider the following aspect.

When we compare different things, they could have similarities as well as differences. Which aspects do we use to compare them? Usually, we take one or more important characteristics of persons or things and compare them based on these characteristics. This is true in the case of development too. For comparing countries their income is considered to be one of the most important attributes. Countries with higher income are more developed than others with less income. This is based on the understanding that more income means more of all things that human beings need. Whatever people like, and should have, they will be able to get with greater income. So, greater income itself is considered to be one important goal.

Now, what is the income of the country? The income of the country is the income of all the residents of the country. This gives us the total income of the country.

TRADITIONAL NOTION OF DEVELOPMENT



Traditional notion of development implies development in

the conventional sense. It means rise in per capita income and growth in the economy. Since long, economists have been using national income and per capita income as major indicators of economic development. In other words, economic development of a country is measured on the basis of its national income and per capita income. These traditional indicators of development are discussed in detail as follows.

(i) National Income

National income is the money value of all final goods and services produced in a country plus income from abroad during a financial year. In other words, the final outcome of all economic activities of the nation during a period of one year, plus income from abroad, valued in terms of money is called the National Income.



National Income

Economists generally measure economic development in terms of increase in national income. But it should be noted that mere increase in the money value of goods and services produced is not a correct measure. Because a part of increase may be due to an increase in

prices of goods and services and only a part due to an increase in physical output of goods and services. Changes in price level affect the value of national income. For this, we must distinguish between national income at current prices and national income at constant prices (or base year prices).

National Income

National income is the money value of all final goods and services produced in a country plus income from abroad during a financial year.

National income can be measured both at current prices and at constant prices. When the final goods and services produced in a year are valued at current prices (or market prices of the current year) we get national income at current prices. While computing national income at current prices, not only physical volume of output produced during the year is important, the prices prevailing in the year are equally important. National income at current prices is called **Nominal National Income**. Since the nominal national income measures the value of currently produced goods and services at current prices, it will change either when overall price level changes or when the actual volume of output of goods and services changes or when both change simultaneously.

However, national income can be measured at constant prices also. Sometimes, for certain purposes we may want to have a measure of output that changes only when the quantity of

goods produced changes. This measure can be obtained by using constant prices. Accordingly, national income computed at constant prices is called **Real National Income**. In this, the money value of final output of goods and services is expressed in terms of prices prevailing in the base year. It is the real national income which is the true index of economic development.

(ii) Per Capita Income

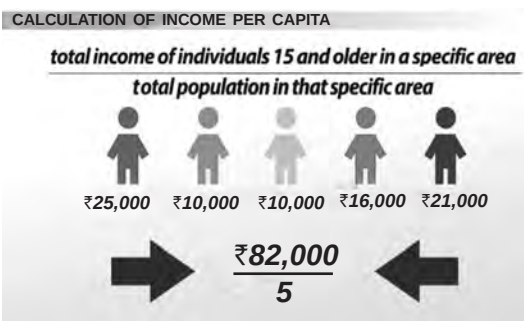
The national income of a country divided by its total population is called the per capita income of that country. It is also known as the average national income per head of population. It can be calculated by dividing national income by total population as shown below.

Per Capita Income

$$= \frac{\text{National Income}}{\text{Total Population}}$$

Per Capita Income

The national income of a country divided by its total population is called the per capita income of that country.



Per Capita Income

For comparison between countries, national income is not a useful measure.

Since countries have different population, comparing national income will not tell us what an average person is likely to earn.

Therefore, the size of national income of the country cannot be considered as a good measure of economic growth, especially when growth of population is more than its growth of real national income. Here, per capita income would be a better indicator of economic growth. Per capita national income in real terms should continuously grow for a number of years which will bring improvement in the living standards of the people.

Per capita income can be computed both at current prices as well as constant prices. While estimating per capita income at current prices, we divide national income at current prices by total population. Similarly, for calculating real per capita income i.e., per capita income at constant prices, national income at constant prices is divided by the total population.

In World Development Reports, brought out by the World Bank, this criterion is used in classifying countries. Countries with per capita income of US \$ 12736 per annum and above in 2013, are called rich countries and those with per capita income of US \$ 1045 or less are called low-income countries. India comes in the category of low middle income countries because its per capita income in 2013 was just US \$ 1570 per annum. The rich countries, excluding countries of Middle East and certain other small countries, are generally called developed countries.

Some Basic Concepts

- **Gross Domestic Product (GDP)**

: Gross Domestic Product is the money value of all final goods and services produced by all the enterprises in the domestic territory (geographical and political boundaries) of a country in a year.

- **Gross National Product (GNP) :**

Gross National Product includes not only the money value of all final goods and services produced within the domestic territory of a country but also net factor income from abroad.

- **Birth rate :** The number of live births per thousand of population per year.

- **Death rate :** The death rate is the number of people dying per thousand of population during a particular year.

GROWTH OF NATIONAL INCOME

Growth in national and per capita income determines the economic development of any country. In other words, national income is the yardstick of measuring the growth performance of any economy. An increase in national income indicates economic growth. National income gives an idea of the progress and welfare of the people of a nation.

An increase in the size of national income increases the volume of goods

and services. Consequently, people now consume more of goods and services which leads to increase in economic welfare, while any decrease in the size results in reduction in quantity of goods and services and their consumption which leads to decrease in economic welfare. In view of this, every country prepares statistics on national income as well as its various aspects.

DEVELOPMENT INDICATORS



To measure the quality of life in a country, development indicators are used. These indicators illustrate progress of a country in meeting a range of economic, social, and environmental goals. Here, we shall look at some of the most common indicators of development.

(i) Sex Ratio

Sex Ratio (SR) is defined as the number of females per thousand males. An ideal sex ratio should be more or less equal. Ratio in favour of males indicates sex discrimination which goes against the notion of development.

Sex Ratio (SR) in India is very low as compared to developed countries. Sex ratio in India was as low as 933 in 2001. It rose to 940 in 2011. It was 1030 in USA, 1040 in Japan. What is more disturbing is that the overall trend in the sex ratio in the country since 1901 is declining excepting a marginal improvement in 1981. In 2011 also, there was a slight improvement in the sex ratio.



Sex Ratio

Sex Ratio in India (1901-2011)

Census years	Sex Ratio
1901	972
1911	964
1921	965
1931	950
1941	945
1951	946
1961	941
1971	930
1981	934
1991	927
2001	933
2011	940

This steady decline in sex ratio is due to the following reasons :

- (i) Less care of female children as compared to male children.
- (ii) Women are subject to greater risks of life, especially at the time of delivery.
- (iii) Indians prefer a male child to that of a female child. This leads to female foeticide and infanticide.
- (iv) Females do not get good diet and medical care. Males as they are

supposed to be bread-earners for the family get preference in this regard.

Consequently, higher mortality rates among females lead to higher proportion of males to females. All this clearly indicates that there is gender discrimination in Indian society. Women are deprived of equal access to healthcare, education and economic rights as the males get.

Sex ratio differs significantly from state to state in India. Kerala alone shows a higher proportion of females—1084 per 1000 males in 2011. It was favourable probably on account of two reasons. **First**, Kerala had a matriarchal society which did not allow discrimination between a daughter and a son. **Second**, women receive proper education and health care. In contrast, prosperous states of the North India, particularly Punjab (893) and Haryana (877), show adverse sex ratio.

(ii) Infant Mortality Rate

The term Infant Mortality Rate (IMR) indicates the number of living children per thousand, who die before completing one year of age. It is different from death rate. Death Rate (DR) denotes the overall number of deaths (instead of among the children) per thousand people in a country in any year. High death rate and infant mortality rate in a country indicate its underdevelopment. Death rate in India has been continuously declining since the beginning of this century. It was 42.6 per thousand during 1901-11 which came down to 27.4 per thousand during 1941-51. It further declined

to a low level of 8.0 per thousand in 2000 and 7.4 in 2013. A drastic fall in infant mortality rate has been a key factor behind the overall declining death rate. Infant mortality rate, which stood at 218 per thousand in 1919-20, has come down to 70 per thousand in 2000 and 40 per thousand in 2013. It has been possible to bring down the infant mortality sharply due to control of diseases (such as pneumonia, diarrhoea, infectious and parasitic disease etc.) which used to take a heavy toll of infants in the past. It was 60 for 2003 (57 per thousand for males and 64 per thousand for females). Female infant mortality is higher as compared to male infant mortality. The main reason behind this is the discrimination against the female infant in providing food, health care and other amenities. Neglect of the female child and greater care of the male child results in higher mortality among the female infants.

(iii) Health

In recent years, human development (or human welfare) has been considered as an alternative to national income and PCI to measure economic development. Human development can largely be increased through investments in education and health.



Health

Physical capital (machines, buildings etc.) can be productively utilised only by healthy and educated people. Underdeveloped countries have remained poor on account of underdevelopment of their human resources.

Need for Good Health

Health and environment indirectly help the process of economic development by supplying healthy, active and energetic workforce. If the worker and the government spends on health, sick persons may become fit for work sooner. Health expenditure may take the various forms such as investment in medical knowledge, in disease prevention and in treatment of the sick. Provision of clean drinking water and good sanitation are other forms of health expenditure.

Good health contributes to economic development in the following ways :

- (i) It increases the efficiency of workers.
- (ii) It reduces production loss caused by worker's illness.
- (iii) It permits the use of natural and other resources.
- (iv) It spares resources that otherwise would have to be spent on treating illness.
- (v) It increases the enrolment of children in schools and makes them better able to learn.

Two things are necessary for good health. First, balanced and nutritious diet and, second, health care facilities (e.g., hospital, doctors, nurses, beds, equipments etc.). It may be noted here that mere presence of health care facilities is not sufficient to have healthy people. The same should be accessible

to all the people. No one should fail to secure them because of their inability to pay for them.

(iv) Education

Education is another key factor behind human development. The role of education in human development and thereby in economic development becomes evident from the following :

- (i) Education produces skilled and trained workers.
- (ii) It increases labour productivity. It is estimated that primary education causes an increase of 40%, secondary education 100% and higher education 300% in labour productivity.
- (iii) It modifies/improves human behaviour.
- (iv) It promotes science and technology.
- (v) It develops personality and sense of national consciousness among the people which are important for economic development.

In fact, expenditure on education by individuals is similar to the expenditure incurred by producers on capital goods (i.e. physical capital). Producers acquire capital goods to increase their profits in future. Similarly, people spend on education to raise their future income.

Education gives them additional skills to do useful things.

CASE STUDY OF THREE STATES (KERALA, PUNJAB AND BIHAR)



As discussed above, Per Capita Income (PCI), Infant Mortality Rate (IMR), Sex Ratio (SR) and Literacy Rate (LR) are some of the important indicators of development. We will now observe the level of development in the three selected states of Kerala, Punjab and Bihar on the basis of these indicators. The Table given below shows the levels of PCI, IMR, SR and LR in these three states.

It may be observed from the table that Kerala is relatively better placed among all the three selected states. All the indicators clearly reveal this fact. Although the level of per capita income is slightly higher in Kerala as compared to Punjab, but Kerala is far ahead of other two states as far as other indicators are concerned. For example, IMR in Kerala in 2013 was just 12 whereas in Punjab and Bihar the corresponding figures were 26 and 42 respectively. It may also be noted that IMR has declined in Kerala more sharply vis-a-vis the states of Punjab and Bihar.

PCI, IMR, SR and LR and LE in Kerala, Punjab and Bihar

Name of States	Per Capita Income (At GDP in \$) 2016-17	Infant Mortality Rate		Sex Ratio		Literacy Rate (Percentage)		Life Expectancy at Birth (2013 - 2017) (years)
		1961	2020	1961	2013	1961	2011	
Kerala	3100	52	6	1,022	1,084	55.08	93.91	75.2
Punjab	2400	77	18	854	895	—	76.68	72.4
Bihar	990	94	27	994	918	21.95	63.82	68.9

Some Indicators of Development

- **Sex Ratio** : The number of females per thousand males.
- **Infant Mortality Rate** : IMR indicates the number of children that die before the age of one year as a proportion of 100 live children born in that particular year.
- **Literacy Rate** : It measures the proportion of literate population in the 7 and above age group.
- **Net Attendance Ratio** : It is the total number of children of age group 14 and 15 years attending school as a percentage of total number of children in the same age group.
- **Life Expectancy** : It means the number of years on an average a new born child is expected to live.

Now consider life expectancy which is regarded another important indicator of development. It is observed that out of the states under study, Kerala has the highest life expectancy which is 74.9 years and also the highest literacy rate. On the other hand, Bihar is placed at the bottom with literacy rate of 63.82 and life expectancy at 68.1 years. We find positive relation between the literacy rate and life expectancy. Life expectancy of India is 64.7 years (2011 Census).

As far as sex ratio is concerned it is favourable to females in Kerala. In other two states it is favourable to males. Not only this, sex ratio has declined in Bihar but slightly increased in Kerala.

Conclusion : By considering all

these parameters, it is observed that Kerala is the overall best state followed by Punjab which is ranked second. Bihar is the least developed state of the three. However, 'India Today' in its study has ranked Punjab the best state of India. Kerala state has been ranked second. Bihar is ranked the last. Bihar is backward in terms of all indicators/parameters of development. Infant mortality rate is the highest in Bihar which may be considered due to mass poverty and illiteracy etc. Bihar is one of the poorest states with poverty ratio of 42.60 as compared to Punjab and Kerala wherein the corresponding figures are 6.16 and 12.72 respectively.

HUMAN DEVELOPMENT INDICATORS



Although, the level of income is an important indicator of development, it is an inadequate measure of the level of development. We, therefore, begin to think in terms of other criteria. There may be a long list of such criteria. But we need only a small number of important things. In this context, health and education are considered most important among them. So over the past decade or so, the two indicators (health and education) are being widely used along with income as a measure of development. Economists have tried to measure development in terms of human development.

Human development refers to the process of improvements in human beings. People become human resource

when investments in them are made in the form of health and education.

To measure human development, the **United Nations Development Programme** (UNDP) has been presenting/constructing Human Development Index (HDI) since 1990. It is widely agreed that the concept of human development is much wider and richer than any index or set of indicators. HDI does not replace national income but adds considerably to an understanding of the real development of a country. Besides income, it also includes education and health.

HDI measures the average achievement in three basic dimensions of human development :

- (i) A long and healthy life as measured by **life expectancy at birth**.
- (ii) Knowledge as measured by adult literacy rate. **Adult literacy rate** refers to the percentage of people aged between 15 and above who can understand, read and write short and simple sentences in their daily life.
- (iii) A decent standard of living as measured by **per capita GDP**.

Human Development Index (HDI) makes rating of all countries on a scale of 0 (which represents lowest human development) to 1 (which represents highest human development). Countries with an HDI value below 0.5 are considered to have a low level of human development, those between 0.5 but below 0.8 a medium level, those above 0.8 but below 0.9 high level and those

above 0.9 very high human development.

Two things are noteworthy regarding Human Development Index (HDI). First, it measures relative and not absolute level of human development. Second, the main emphasis of HDI is on goals, that is, longevity, knowledge and standard of living expressed in real per capita income alone.

The following Table gives data regarding India, some of its neighbours and the countries from Human Development Report, 2017. Note that in column 5 per capita income is expressed in 'PPP US \$' and not just 'US \$'. The full form of PPP is Purchasing Power Parity, i.e., the exchange rate between two countries is equal to the ratio of the currencies' respective purchasing power,

The Table shows that both China and Sri Lanka are much ahead of India in every respect and India has a lower rank in the world. Afghanistan has less than half of the per capita income of India, and it is behind India in all respects. Norway and Saudi Arabia are examples of high level of human development.

SUSTAINABLE DEVELOPMENT



In recent years, it has been strongly felt that rapid economic development and industrialisation have led to the reckless exploitation of natural resources (such as fossil fuels, e.g. coal, gas and petroleum) which are limited. The development of all the countries of the world in future is likely to be endangered, if these

Human Development Index - 2022 (Selected Countries)

Country	Human Development			Per Capita Income (PPP US \$)	Life Expectancy at Birth (Years)	Literacy Rate (% aged 15 and above)
	Level	Rank	Index			
Norway	Very High	2	0.961	11,4898	82.6	100.0
Saudi Arabia	Very High	35	0.875	59065	74.3	95.3
China	High	79	0.768	21475	77.4	96.8
Sri Lanka	High	73	0.782	14405	76.9	91.9
India	Medium	132	0.633	8379	70.8	73.9
Afghanistan	Low	180	0.478	1674	63.2	43.0

Source : Human Development Report 2017 (World Bank) (The report was released on 8 September 2022 and compiled on the basis of estimates for 2015) UNDP(2022)

limited natural resources are completely exhausted.

Further, although these fossil fuels are essential for economic development, but their use pollutes environment. Greater the production of goods, the more will be the pollution. The global concern today, therefore, is to adopt an environment-friendly strategy of economic development.

Thus, in this context there are **two serious effects** of economic development. **First**, if exhaustible resources deplete fast, future generations may not have enough stock for their use. **Second**, the increasing use of fossil-fuels and minerals damages the environment and ecology.

Global warming is now a serious threat to the entire world.

Hence, the present type of development is not sustainable.

Let us understand why this is so through the following examples. Low level of groundwater in India has become a serious threat in many parts

of the country. About 300 districts have reported a water level decline of over 4 metres during the past 20 years. Nearly one-third of the country is overusing the groundwater reserves. Overuse of groundwater can be seen in the prosperous agricultural regions of Punjab and Western UP and hard rock plateau areas of Central and South India. However, groundwater is a renewable resource as it is replenished by nature. But if we use more than what is being replenished by rain then we would be overusing this resource.

Non-renewable resources get exhausted after years of use. These resources cannot be replenished. Crude oil and coal are examples of non-renewable resources. However, we may discover new resources but over time even this will too get exhausted. If people in the world continue to use crude oil in the present manner, we would run out of stock in 43 years. For countries like India that depend on imports of crude oil, any increase in its price is a burden.

Further, the present type of development has caused a great damage to the environment. The use of pollution-causing materials on a large scale is responsible for it.

In view of serious repercussions of economic development, the global concern today is the adoption of environment-friendly strategy of economic development. This means that the development should be sustainable, i.e. the development should take place without damaging the environment, and the development in the present should not compromise on the needs of the future generations.

Obviously, development means sustainable development only when resources are managed in such a way that future generations do not suffer and have at least the same which present generations have.

Necessary Conditions for Sustainable Development

To achieve sustainable development, the following needs to be done :

- (i) Limiting the human population to a level within the carrying capacity of the environment.
- (ii) Technological progress must be input-efficient particularly about non-renewable resources.
- (iii) Renewable resources should be extracted on a sustainable basis. In other words, the rate of extraction must not exceed the rate of regeneration.
- (iv) The rate of depletion of non-renewable resources should not exceed the rate of growth of renewable substitutes.
- (v) Inefficiencies like global warming that arise from pollution should be corrected.

POINTS TO REMEMBER

- Development involves goals and aspirations of people and about the ways in which they work towards achieving these goals.
- Important goals of people are, more income, equal treatment, freedom, security and respect of others.
- National development is the development of a country in all aspects.
- Growth of national income and per capita income determines economic development of any country.
- A drastic fall in infant mortality rate has been a key factor behind the overall declining death rate.
- Health and education are the key factors behind human development.
- To measure human development, the United Nations Development Programme (UNDP) has been presenting Human Development Index (HDI) since, 1990.
- Sustainable development means that resources are managed in such a way that future generations do not suffer and have at least the same which present generations have.

IMPORTANT TERMS

- **Nominal national income** : National income at current prices.
- **Real national income** : National income computed at constant prices.
- **Human Development** : The process of improvements in human beings.
- **Human Development Index** : HD I makes rating of all countries on a scale of 0 to 1.
- **Global warming** : The phenomenon of increasing average air temperatures near the surface of the Earth over the past one or two centuries.
- **Adult literacy rate** : Percentage of people aged between 15 and above who can understand, read and write short and simple sentences.
- **Renewable resource** : A resource which can be used repeatedly and replaced naturally.
- **Non-renewable resource** : A resource of economic value that cannot be readily replaced by natural means on a level equal to its consumption.

EXERCISES

I. Multiple Choice Questions

1. Per capita income is :
(a) income per person
(b) income per family
(c) income per earning person
(d) income per month
2. In which of the following, life expectancy rate is highest?
(a) Sri Lanka
(b) India
(c) China
(d) Afghanistan
3. Which state in India has lowest Infant Mortality Rate?
(a) Punjab
(b) Bihar
(c) Kerala
(d) Haryana
4. The most important criterion while comparing the real development of a country is
(a) Human Development Index (HDI)
(b) Literacy rate
(c) Export earnings
(d) Income
5. What is the relationship between IMR and the level of economic development in a country?
(a) IMR is unrelated to economic development
(b) Higher economic development leads to higher IMR
(c) Higher economic development generally leads to lower IMR
(d) Economic development has no impact on healthcare indicators
6. Read the following statements: Assertion (A) and Reason (R). Choose one of the correct alternatives.
(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
(b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
(c) Assertion (A) is true but Reason (R) is false.
(d) Assertion (A) is false but Reason (R) is true



Assertion (A): Developmental goals are not only about better income but also about other important things in life.

Reason (R): A safe and secure environment may allow more women to take up a variety of jobs or run a business.

7. A village is improving access to clean water, education, and healthcare while promoting organic farming and biodiversity conservation. What type of development approach is the village adopting?
- | | |
|-----------------------------|-----------------------------|
| (a) Short-term development | (b) Isolated development |
| (c) Traditional development | (d) Sustainable development |



II. Very Short Answer Questions

1. What is meant by Per Capita Income?
2. Mention any two importance of education.
3. Define Infant Mortality Rate.

III. Short Answer Questions

1. What is meant by Death Rate? What was the death rate in India in 2013?
2. State two ways in which good health contributes to economic development.
3. What is National Income? Mention any one feature of National Income.
4. Mention any two conditions necessary for sustainable development.



IV. Long Answer Questions

1. What do you mean by per capita income of a country? How it can be used to compare two countries?
2. What is meant by sustainable development? Why is the issue of sustainability important for development?
3. What is sex ratio? Describe the reasons for steady decline in sex ratio in India.

V. Case Based Questions

Suppose for the present that a particular country is quite developed. We would certainly like this level of development to go up further or at least be maintained for future generations. This is obviously desirable. However, since the second half of the twentieth century, a number of scientists have been warning that the present type, and levels, of development are not sustainable. Groundwater is an example of renewable resources. These resources are replenished by nature as in the case of crops and plants. However, even these resources may be overused. For example, in the case of groundwater, if we use more than what is being replenished by rain then we would be overusing this resource. Non-renewable resources are those which will get exhausted after a few years of use. We have a fixed stock on earth which cannot be replenished. We do discover new resources that we did not know of earlier. New sources in this way add to the stock. However, over time, even this will get exhausted.



1. Why have scientists been expressing concern regarding the sustainability of current development levels?
2. Why is groundwater regarded as a renewable resource? Give an example how it can be overused.

16

Money and Financial System

INTRODUCTION

Money is a part of our daily life. All people want money but only few can define it. If you ask somebody ‘what is money’, he will probably say ‘it is cash’, or may say ‘it is whatever you have got in your bank account’. Cash or the amount in bank is not the definition of money, but at the most an alternative expression of money.

Money does not do anything by itself. It is just a piece of paper, or is simply an entry in your bank account. Money does not satisfy human wants directly. It satisfies wants indirectly only when it is spent. Money is not wanted for its own sake but for the things it will buy.

In this chapter we will study the various aspects of money and the financial system wherein the role of money is very crucial. Before discussing in detail, first of all we will discuss the difficulties of the barter system of exchange because it is these difficulties which brought out the need for money.

BARTER SYSTEM OF EXCHANGE

Prior to the introduction of money, as it is known today, trade was carried out by barter. Under barter system both sale and purchase of goods and services took place without the use of money. For example, a piece of cloth



The economic system based upon barter is known as **Barter Economy** or **C – C Economy** (here C stands for commodity).

Barter System

Barter system refers to the system of exchange where goods and services are exchanged directly for other goods and services.

Under this system, commodity to commodity exchange takes place. This system was in existence in the initial phase of human civilization. Thus, barter system refers to the system of exchange where goods and services were exchanged directly for other goods and services.

DIFFICULTIES OF BARTER SYSTEM

There are many difficulties inherent in the barter system which gave birth to money. The two main difficulties are stated below.

(i) Double coincidence of wants:

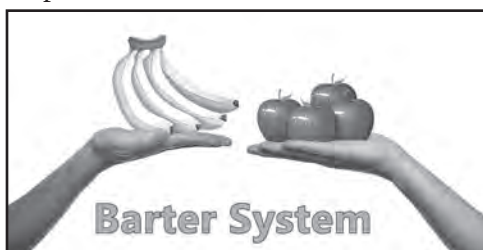
Barter system requires double coincidence of wants. A seller has to find someone who wants to buy what he has, but the buyer must also have what the seller wants. Suppose, the seller wants a book, and the only thing that he can offer in return is wheat. For this transaction to take place, he should find someone who



has the book and at the same time he wants wheat. Imagine how much effort it will require to find such a person.

(ii) Lacks a common unit of value:

The second main drawback of barter is the absence of a common unit in terms of which values of goods and services have to be measured and stated. The value of a good or service means the amount of other goods and services it can be exchanged for in the market. The lack of common unit means that no proper accounting system was possible.



The value of each good and service would have to be expressed not just in one quantity but in as many quantities as there are kinds and qualities of other goods and services in the market.

HISTORICAL ORIGIN OF MONEY



Currency notes and coins are the modern forms of money. But when we review the history of the evolution of money, we find that money had appeared in different forms before taking the final form as we see it today.

The historical origin of money can be traced back to the barter system that existed

in olden days. In the initial stages, money took the form of **commodity money**. In ancient times, many commodities such as grain, cattle, tobacco etc. were used as money.

Due to several disadvantages of commodity money (such as lack of uniformity and standardisation, indivisibility, perishable nature of some goods, difficulty in storing etc.), some precious **metals** like gold, silver, copper etc. began to be used as money. But on account of its bulkiness, a large sum of money in terms of metals was not easily portable. Moreover, it was also unsafe to carry precious metals from one place to another. This problem finally led to the introduction of paper money.

The money made of paper is known as paper money. Nowadays, issue of paper money is the sole monopoly of the central bank of a country. In India, the Reserve Bank of India (India's central bank) issues currency on behalf of the government. No other individual or organisation is permitted to issue currency. Moreover, the law also grants currency the status of **legal tender money**. In other words, as per Indian law, no one can refuse the use of rupee as medium of payments in settling transactions. That is why, rupee is widely accepted as medium of exchange.

ROLE OF MONEY



In contrast, in an economy where money is in use, money eliminates the need for double coincidence of wants. It is no longer necessary for the person who possesses/produces rice to look for a sugar producer

who will buy his rice and at the same time sell him sugar. All he has to do is to find a buyer of his rice in the market. Once he sells his rice for money, then he can purchase sugar, his desired commodity, or any other commodity from the market. Since money acts as an intermediate in the exchange process, it is called a **medium of exchange**.

Actually, hundreds and thousands of transactions involve the use of money in any single day. In these transactions, goods and services are exchanged for money. In borrowing and lending transactions there is no transfer of money right now but the borrower promises to pay money in future. Here money serves as a **unit of account**. Everybody prefers payments in money. The reason is very simple. A person holding money can easily exchange it for any commodity or service that he/she may desire.

MEANING (OR DEFINITION) OF MONEY



The word 'money' is derived from the Latin word '**Moneta**' which was the surname of the Roman Goddess of Juno in whose temple at Rome, money was coined. To a layman rupee is the money in India, dollar is the money in USA and the pound in England. But we find economists holding different opinions regarding the definition of money. Various types of definitions of money are discussed below :

(i) Legal Defining of Money :

According to this definition, money is anything what the law accepts as a

medium of exchange. In other words, anything which the government declares as money is accepted as a medium for commercial exchange and payment for a money debt. A thing will have general acceptability if the law declares it as money. Since it has the legal power to discharge debts, no creditor can refuse it or he may not demand anything else in payment of debt. Currency-notes and coins are **legal tender money**.

(ii) Functional Definition of Money

: According to this definition, money is defined on the basis of functions it performs. Anything which is generally accepted as a medium of exchange in payment of debts and as payment of goods and services is called money. An ideal functional definition of money should include all the important functions of money. It must also possess the characteristics of general acceptability. In this regard, **Crowther's definition** of money is considered as the best definition. He defines money as, "*anything that is generally acceptable as a means of exchange and at the same time, acts as a measure and a store of value.*"

(iii) Narrow and Broad Definitions of Money :

On the basis of scope, money has been defined in two ways : (i) Narrow money and (ii) Broad money. The narrow definition of money is based upon its medium of exchange function. Under it only currency notes and

coins are included in money. On the other hand, broad definition of money, besides including currency-notes and coins, also includes some other things like time deposits at banks and post offices. These financial assets are highly liquid but there are not as liquid as money is. They have high degree of liquidity (moneyness) but are not generally acceptable in payments. These assets need first to be converted into demand deposits.

Money in India

Money in India is entirely credit money. It is convertible into gold or silver. Gold reserves kept against the currency notes are just minimum reserves. They are not in proportion to the currency notes issues. The currency issuing authority is under no obligation to convert it into gold. The Reserve Bank of India issues currency notes of all denominations except one rupee notes and coins which are issued by the Government of India. However, circulation of entire currency (notes + coins) is the responsibility of RBI. India, thus, has followed managed paper currency standard.

Kinds of Money

Broadly speaking, there are three kinds of money. These are explained below.

1. Standard Money : Standard money is **legal tender money**. It is legal tender in the sense that no one can refuse to accept it. Standard money can be of two types :

(i) Paper notes and (ii) Coins

Paper notes and coins, taken

together, are called currency. Currency is also called **fiat money** as it acts as money under the fiat (order) from the government. Coins further are of two types. (i) full-bodied coins and (ii) token coins. In case of full-bodied coins, face value (value as money) is equal to its metallic value. Gold coins and silver coins were full-bodied coins when the economies of the world were on gold standard or silver standard. During the British period one rupee coin was made of silver and its value as money was equal to its value as commodity. These coins were as valuable for non-monetary purposes as they were for monetary uses.

2. Bank Money : Bank money (also called credit money) refers to bank deposits which can be withdrawn by means of bank cheques and bank drafts. Anyone who has deposited money with a bank has the right to withdraw it at any time he likes. A cheque book is generally given by the bank to the depositor for this purpose. Thus, demand deposits are the liabilities of banks. These deposits are subject to transfer by cheques or otherwise. These can be used as medium of exchange. Remember cheques are not money. They are simply the instruments by which the ownership of demand deposits is transferred from one person to another.

Demand deposits at banks are money. Bank money is also called as **fiduciary money** as cheques are accepted on the basis of trust. Unlike standard money, bank money is optional as one can refuse to accept cheques etc. as a means of payment.

3. Near Money : Near money refers to the highly liquid assets which can easily be converted into cash on short notice such as time deposits, treasury bills etc. These financial assets are highly liquid but are not as liquid as money is (by liquidity we mean the ability to convert an asset to money quickly and without loss of value). They do not serve as medium of exchange. They need first to be converted into demand deposits before they serve as medium of exchange.

Are Credit and Debit Card Money?

You may wonder why we have ignored credit cards (Visa, and Master Cards etc.,) and debit cards in our discussion of money. The answer is that credit and debit cards are not money. Rather, they are a convenient means of obtaining a short term loan from the financial institution that issued the cards.

What happens when you purchase an item with a credit card? The bank that issued the card will reimburse the store, charging it transaction fee, and later you will reimburse the bank. Credit cards are merely a means of deferring or postponing payment for a short period. Your chequable account balance used to pay your monthly card bill is money but the credit cards are not money. Similarly debit cards are not money, but debit cards account balance is money.

ROLE OF BANKS

Banks accept demand deposits and provide cheque facility to their depositors.

Thus, the modern forms of money — currency and demand deposits — are closely linked to the working of the modern banking system.



Now the question arises, What do the banks do with the deposits they accept from the public? In fact, banks keep a small proportion of their deposits (say 15% in India) in cash with themselves. This cash is kept as provision to pay the depositors who might come to withdraw their money at any time on any given day. Since, all depositors will not come collectively to withdraw their money on any particular day, the bank can easily manage with this small proportion of deposits to meet the depositors' needs. Hence, banks use the major portion of their deposits in advancing loans to the borrowers. In this way, banks act as intermediaries between the depositors and the borrowers. They offer less interest on deposits and charge higher interest on loans. This difference in interest rates becomes the main source of banks' income.

CREDIT (LENDING)

Importance of Credit

Credit plays an important role in economic development of a country. It (credit) refers to an agreement reached between the lender and the borrower of money, goods or services in return for the promise of future payment. A large number of credit transactions take place in our day-to-day activities. Credit (loan) helps the borrower to meet the ongoing expenses of production, complete production on time and thereby increase his income.

The demand for credit in rural areas comes from farmers. They need credit for crop production which involves expenditures on seeds, fertilisers, pesticides, water, electricity, repair of equipments etc. There remains a time period of three to four months when the farmers purchase these inputs and repay when they sell the crop. So farmers usually take crop loans at the beginning of the season and repay the amount soon after harvesting.

However, credit may push a person into a debt-trap. This happens when a crop fails. In such a situation, repayment of loan becomes impossible. The borrower has to sell a portion of his land to pay off the debt. Whether credit would be useful or not, depends on the risks in the situation and on the support in case of loss.

Terms of Credit

Every loan agreement specifies interest rate to be part along with the



principal. Besides, the lender may demand collateral (security) against loans which may be land, building, vehicle, livestock deposits with banks etc. If the borrower fails to repay the loan amount along with interest due thereon, the lender has the right to sell the mortgaged asset (i.e., security) to get payment. Interest rate, collateral and documentation requirement and the mode of payments taken together constitute the terms of credit. The terms of credit vary significantly from person to person and also from place to place. So terms of credit vary in different credit arrangements.

Credit Institutions

There are a large number of financial institutions which are engaged in the task of collection of savings from the people and give credit (loans) to the needy people.

Loans from Co-operatives

Co-operatives (Co-operative Societies) are a major source of cheap credit in rural areas. Members of a co-operative pool their resources for cooperation in certain areas. There are, thus several types of co-operatives possible such as farmers co-operatives, weavers co-operatives industrial workers co-operatives etc. Government gives financial assistance to these co-operatives.

Such financial institutions can broadly be grouped into two categories :

1. Formal Financial Institutions
2. Informal Financial Institutions

1. Formal Financial Institutions

Formal financial institutions refer to those financial institutions whose financial transactions / dealings are governed by a set of rules and regulations. Cooperative banks and commercial banks fall under this category. The Reserve Bank of India (India's central bank) plays a crucial role in the sphere of formal financial institutions. The activities of formal financial institutions are controlled and regulated by the Reserve Bank of India. For instance, banks in India are required to keep a minimum proportion of deposits as reserves to meet the cash requirements of their depositors. The RBI monitors whether the banks are actually maintaining the cash reserves or not. Similarly, the RBI sees whether banks give loans to the priority sector (e.g. small farmers, artisans, small borrowers etc.) on concessional interest rate or not. Further, banks are required to submit the periodic information of their business activities to the RBI.

Advantages of Formal Sector Loans

- (i) Loans from banks and co-operatives are relatively much cheaper. Interest rate remains around 8 to 12% per annum.
- (ii) Mode of repayment of loan is very easy.
- (iii) Formal credit saves the borrower from falling into debt-trap.
- (iv) Many people can borrow cheaply for a variety of different needs. Farmers can grow crops, unemployed youth can set up small-scale industries or can trade in goods.

In short, cheap and affordable credit is provided by the formal credit institutions which proves very crucial for the country's development.

Commercial Banks

Commercial banks play an important role in the modern economic system. In fact, modern economic system cannot exist without them. They promote savings and are the source of credit for trade and industry. They create credit in the sense that they are able to give more loans and advances than their cash reserves.

Meaning of Commercial Banks

A commercial bank is a financial institution which accepts deposits from the public and gives loans for purposes of consumption and investment. According to the **Banking Companies Act, 1949**, "*A Banking Company is one which transacts the business of banking which means accepting for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise and withdrawable by cheque, draft order or otherwise.*"

There are two essential functions that a financial institution must perform to become a commercial bank. These are :

- (a) Acceptance of demand deposits that have cheque facilities.
- (b) Lending.

Acceptance of chequable deposits is necessary, but not a sufficient condition for a financial institution to become a commercial bank. For example, post-office savings banks are not banks even though they accept chequable deposits

from the public. This is because they do not perform the function of lending. Similarly, lending alone does not make any financial institution a bank. For example, many financial institutions like Life Insurance Corporation of India, Unit Trust of India, Industrial Development Bank of India, etc. lend to others but they are not banks as they do not accept chequable deposits from the public. At the same time, they do not create money.

Commercial banks are also called **joint stock banks** because they are organised in the same manner as joint stock companies. They generally advance short-term loans to businessmen and traders. State Bank of India, Punjab National Bank, Allahabad Bank, Canara Bank are the examples of commercial banks in India. In the process of accepting deposits and extending loans, commercial banks create demand deposits. In other words, they add to the supply of money in the economy.

On the basis of above explanation, we can sum up the main features of a commercial bank as follows :

- (i) It accepts deposits from the public. These deposits can be withdrawn by cheques and are repayable on demand.
- (ii) A commercial bank uses the deposit money for lending and for investment in securities.
- (iii) It is a commercial institution, whose aim is to earn profit. It charges high rate of interest from the borrowers and pays much less rate of interest to the depositors.
- (iv) It is a unique financial institution

that creates demand deposits which serve as medium of exchange.

2. Informal Financial Institutions

There are lakhs of financial institutions which exist in the rural as well as urban areas. They are not regulated and controlled by any authority, hence they are called Informal Financial Institutions. These include, indigenous bankers, moneylenders, traders, employers, relatives and friends, chit funds, finance companies etc. Such institutions taken together constitute the unorganised sector of the financial market.

Indigenous bankers include those individuals and private firms which receive deposits and give loans. They act as *mini banks* and are largely urban based. **Moneylenders** give loans to small borrowers like marginal and small farmers, agricultural labourers, artisans, factory and mine workers low-paid staff etc. They do not accept deposits as their primary function is money lending. They largely operate in rural areas.

Chit funds are essentially saving institutions. The members of a chit fund make a regular periodic subscription to the fund. The amount collected at a regular interval is given to a member of the fund. Every member have his/her turn.

There is no organisation which supervises the credit activities of lenders in the informal sector. They can lend at whatever interest rate they decide. There is no one to stop them from using unfair means to get their money back.

Compared to the formal lenders, most of the informal lenders charge a very high interest rate on loans which

may vary from 24% to 60% per annum. Thus, the cost for the borrower of informal loan is very high. High cost of borrowing means that a major portion of the borrower's earning is used in repayment of loan. Hence, the borrower has less income left for himself. In some cases, the amount to be repaid is greater than the income of the borrower. This kind of situation leads to increasing debt burden and debt-trap. Also, certain enterprising people may not start an enterprise because of the high cost of borrowing.

For this reason, two things are highly needed. First, banks and co-operatives need to lend more and, second, there must be somebody to regulate, control and monitor the informal lending.

Relative Importance of Formal and Informal Credit

We will now study the relative importance of formal and informal sources of credit for people, both in rural and urban areas. About 85 per cent of the loans taken by the poor households in the urban areas are from informal sources. Compared to this, the rich urban households take only 10 per cent of their loans from informal sources. Obviously, 90 per cent of their loan requirements are met from formal sources. A similar pattern is observed in rural areas. The rich households in rural areas are availing cheap credit (about 72%) from formal sources, whereas this percentage figure for poor rural households is just 47%.

All this clearly shows that poor households (both in rural and urban areas) have to pay a heavy price for

borrowing. Further, the formal sector still meets only about half of the total credit needs of the rural people. The remaining credit is met from informal sources which carry very high interest rate. Thus, it is necessary that banks and co-operatives particularly in rural areas, should increase their lending. It is only then the dependence of people for credit on informal sources will reduce. Secondly, formal credit needs to be distributed equally so that the poor can also benefit from the cheaper loans.

SELF-HELP GROUPS FOR THE POOR



As mentioned earlier, the poor households are still dependent on informal sources of credit. It is because (a) banks are not found everywhere in rural areas (b) bank loans require proper documentation and collateral. Lack of collateral is perhaps the major reason which prevents the poor households from availing bank loans. Further, local moneylenders remain willing/ready to offer loans without security. The borrower can approach the moneylender even in the state of non-payment of earlier loan. However, moneylenders (known as *bantias*, *mahajans*, *sahukars* etc.) indulge in various malpractices such as false manipulation of loan records, and extracting forced labour from the borrower, besides charging very high interest rate.

In recent years, people have come out with newer ways of providing loans to the poor. Poor people organise themselves into **Self-Help Groups**

(SHGs) and pool their savings. Usually a SHG has 15 to 20 members belonging to one neighbourhood. The members of the group meet and save regularly. They save from ₹ 25 to 100 or more per member. Members can avail small loans from the group to meet their needs. The group charges a reasonable rate of interest, which of course is much lower than what the local moneylender charges. If the SHG is regular in its savings, it becomes eligible for bank loans. Bank loan is sanctioned in the name of the SHG which is meant for creating self-employment opportunities for the members. For instance, small loans are provided to the members for getting mortgaged land released, for meeting working capital needs (e.g. buying seeds, fertilisers, raw materials like bamboo and cloth), for housing materials, for acquiring assets like

sewing machine, handlooms, cattle, etc.

The SHG decides regarding loans — the purpose and amount, interest rate, mode of repayment etc. It is the group which is responsible for the repayment of the loan. If any member of the group is not repaying the loan amount as scheduled, the case will be seriously taken up by other members in the group. It is because of this feature of an SHG that banks are willing to lend to the poor organised in the SHGs. They do not ask even for collateral from the SHGs.

In this way, SHGs help poor borrowers overcome the problem of lack of security. Due to SHGs, the rural poor are becoming self-reliant. Moreover, SHGs provide a platform for their members to discuss and act on a number of social problems such as health, nutrition, domestic violence etc.

Some Other Informal Sources of Credit

(1) Chit funds - The chit funds are saving institutions. A chit fund has regular members who make periodical subscriptions to the fund. The periodic collection is given to some member of the chit fund selected on the basis of an agreement reached among the members. Generally the selection of the beneficiary is made either on the basis of bids or by draw of lots. In any case, each member of the chit fund is assured of his turn before the second round starts. The chit fund business is now done in almost all the states but Kerala and Tamil Nadu account for a major part of the chit fund business. The Reserve Bank of India has absolutely no control over lending activities of the chit funds.

(2) Private Finance Companies - There is a large number of finance companies operating in the country's unregulated credit market. There is hardly any information available about the amount of lending business done by them. The principal source of their funds is deposits from the members. The loans are given by these companies at relatively reasonable rates of interest. These companies give loans for purposes such as purchase of car, consumer durables, house construction etc. The loans are secured. Mostly, middle class families in urban areas have shown interest in these finance companies.

POINTS TO REMEMBER

- Under barter system both sale and purchase of goods and services took place without the use of money.
- Two main difficulties of the barter system include, double coincidence of wants and lack of a common measure of value.
- Currency notes and coins are the modern forms of money.
- The money made of paper is known as paper money.
- Broad definition of money includes currency notes and coins, and time deposits at banks and post offices.
- There are three kinds of money i.e., standard money, bank money, and near money.
- Banks accept demand deposits and provide cheque facility to their depositors.
- Credit refers to an agreement reached between the lender and the borrower of money, goods or services in return for the promise of future payment.
- Financial institutions can broadly be grouped into two categories, i.e., formal financial institutions and informal financial institutions.
- A commercial bank is a financial institutions while accepts deposits from the public and gives loans for purposes of consumption and investment.
- Usually a Self Help Group (SHG) has 15–20 members belonging to one neighbourhood.
- SHGs help poor borrowers overcome the problem of lack of security.

IMPORTANT TERMS

- o **Barter System** : It refers to the system of exchange where goods and services are exchanged directly for other goods and services. .
- o **Standard Money** : It is the legal tender money that no one can refuse to accept.
- o **Currency** : Paper notes and coins taken together are called currency.
- o **Bank money** : Money which can be withdrawn by means of bank cheques and bank drafts.
- o **Near Money** : The highly liquid assets which can easily be converted into cash on short notice such as time deposits, treasury bills etc.
- o **Credit** : An agreement reached between the lender and the borrower of money, goods or services in return for the promise of future payment.
- o **Debt-trap** : A situation in which a debt is difficult or impossible to repay, typically because high interest payments prevent repayment of the principal.
- o **Commercial banks** : A financial institution which accepts deposits from the public and gives loans for purposes of consumption and investments.

EXERCISES

I. Multiple Choice Questions

1. Majority of the credit needs of the poor households are met from
(a) Formal sources (b) Informal sources (c) Self-Help groups (d) Government

17

Role of Service Sector in Indian Economy

WHAT IS AN ECONOMY?



In our everyday life, we find different people engaged in different types of activities to earn their living. People like farmers, casual workers, cobblers, shopkeepers, vegetable vendors, domestic servants, industrialists, teachers, doctors, lawyers, chartered accountants etc. perform different types of activities. All households are concerned with one or the other type of activity to earn wealth or money to satisfy their wants. All these activities are called economic activities. Economic activities produce different types of goods and services which satisfy people's wants. The sum total of economic activities constitute an economy.

Economic activities are carried on or are controlled by individuals, firms, private institutions and also by the government. Individuals and firms usually work for private gain or profit. But the governments have to consider not only the private gains of individuals or groups but also the welfare of society by taking the people as a whole.

A framework within which all economic activities of a country can be largely described is called the economy. In other words, an economy is the aggregate of economic activities in a

country within which various types of goods and services are produced, distributed and consumed. It consists of all those individuals, households, fields, factories, mines, businesses, schools, colleges, offices, banks, hospitals, railways by which people make their living.

It is in this sense that we use the term Indian economy or US economy. Thus, Indian economy consists of all those institutions such as farms, factories, mines, shops, banks, railways, offices, schools, colleges, hospitals etc. within India where people work and earn their means of livelihood.

SECTORIAL CLASSIFICATION OF AN ECONOMY



A collection of production units is called 'sector'. We will study classification of an economy into sectors based on economic activities, employment conditions and ownership. Let us first explain classification based on economic activities.

CLASSIFICATION BASED ON ECONOMIC ACTIVITIES



Using economic activities as the criteria, an economy can broadly be

classified into the following three broad sectors :

- (1) **Primary Sector**
- (2) **Secondary Sector**
- (3) **Tertiary Sector**

(1) Primary Sector : In the primary sector, activities relating to land like, agriculture and allied activities such as forestry, dairying, fishing, poultry farming, mining, stone quarrying etc. are included. In this sector, goods / products are produced by exploiting natural resources. For example, in the cultivation of wheat, we largely depend on natural factors like rainfall, sunshine and climate. Similarly, in case



Agriculture



Forestry

of dairying we depend on the biological process of animals and availability of fodder etc. The product here is milk. Similarly, minerals and iron ores are also natural products. Since most of the natural products relate to agriculture, dairying, fishing, forestry, this sector is also called '**agriculture and related sector**'.

The producers of this sector are called the **primary producers** and goods produced are called **primary goods**.

(2) Secondary Sector : It covers activities relating to manufacturing and construction. It converts one type of product into another. For example, manufacturing of cotton yarn by using cotton fibre, weaving of cloth from cotton yarn, using sugarcane in making sugar or *gur*, and using of bricks to make houses and buildings etc. Since all this could be done in a factory or a workshop, it is called the **industrial sector**. The producers of this sector are called **secondary producers**.

The basic difference in the activities of primary sector and secondary sector is that the former produces products by



Manufacturing

using natural resources while the latter converts primary goods into secondary goods or **manufactured goods**.

(3) Tertiary Sector : Apart from primary and secondary activities there is a third category of activities that fall under tertiary sector. The economy needs not only physical goods but also services like transportation of goods, storage of goods, banking and insurance and so on. These services are needed by households and primary and secondary sectors. Tertiary activities themselves do not produce goods but they are a support for the production process. For example, goods that are produced in the primary or secondary sectors would need to be transported for their marketing. Similarly, we may also need to establish contact with others through telephone or letters. Further, we may also need credit from banks to help production and trade. Transport, storage, communication, banking, trade etc. are, thus, some examples of **tertiary activities**. The producers of these services are called the **tertiary producers**. Since tertiary activities generate services rather than goods, the tertiary sector is also called the **service sector**.

Service sector also includes some essential services provided by teachers, doctors, and personal services provided by washerman, barbers, cobblers, lawyers etc. needed by households. We also need people to do administrative and accounting works. In recent times, certain new services based on information technology such as cyber cafe, ATM

booths, call centres, software companies etc. have become important.



ATM booth



Service of Teachers

Estimation of GDP of Sectors



The value of final goods and services produced in each sector during a particular year gives us the total production of this sector for that year. And the sum of production in all the three sectors provides us Gross Domestic Product (GDP) of a country. GDP shows how much the economy is developed.

But while doing this task of measuring GDP, two things need to be noted. First, GDP is expressed in monetary terms. It is because of the fact that we cannot add thousands of goods and services

produced together because they are expressed in different measuring units such as wheat in quintals, cloth in metres, milk in litres, cotton in bales and so on. For this reason, first the value of goods and services of the three sectors is calculated and then added up. GDP shows the value of **final goods and services** only. Intermediate goods are excluded because their value is already included in the value of final goods. For instance, GDP includes the value of bread and not of flour used in making bread as the value of flour is included in the value of bread. Similarly, GDP includes the value of cotton cloth and not of cotton yarn and raw-cotton. The value of cotton yarn is already included in the value of cotton cloth. In India, the mammoth task of measuring GDP is undertaken by the central government ministry. This ministry, with the help of various government departments of all the Indian states and union territories, collects information relating to total volume of goods and services produced and their prices and then estimates the GDP.

Relative Importance of Primary, Secondary and Tertiary Sectors in India



We can judge the relative importance of three sectors on two basis.

- (i) **Based on contribution to GDP**
- (ii) **Based on employment**

(i) **Based on Contribution to GDP**

Generally, it has been noticed that as an economy develops the relative importance of three sectors in the

economy also changes. In the initial stages of development, primary activities remain most important activities of the economy. But with the passage of time and development, secondary sector becomes most important in terms of total production and employment. But in the final stage of development, a further shift from secondary to tertiary sector takes place. The service sector becomes most important in terms of total production.

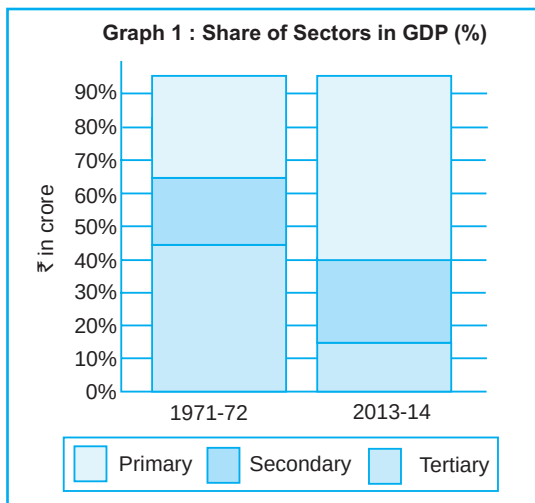
Now we will see the production and employment trends in the three sectors in India over the years. Have these changes been according to the normal course of development or not?

Changing profile of GDP in India during 1950-51 to 2013-14 is given in the following table. The data reveal that GDP from the primary sector (agriculture and allied activities) declined from 51.88 per cent in 1950-51 to 41.66 percent in 1970-71 and thereafter, sharply declined to 13.94 per cent in 2013-14. This was partially neutralised by an increase in the share of the secondary sector from 16.19 per cent in 1950-51 to about 23.62 per cent in 1970-71 and further increased to about 26.13 per cent. Biggest hike in the GDP share occurred in case of services from about 29.54 per cent in 1950-51 to 33.26 per cent in 1970-71 to 59.93 per cent in 2013-14. The emerging structural change in GDP shares witness a big decline in the share of agriculture, coupled with a modest increase in the share of industry and a much sharper increase in the share of services which now account for nearly half of the total GDP.

GDP at Factor Cost by Sectors (At Constant 2004-05 Prices in ₹ Crore) and Percentage Share to Total GDP

Year	Primary	Secondary	Tertiary	GDP
1950-51	1,45,052 (51.88)	45,277 (16.19)	82,591 (29.54)	2,79,618
1960-61	1,95,482 (47.65)	82,413 (20.09)	1,23,872 (30.19)	4,10,279
1970-71	2,45,699 (41.66)	1,39,321 (23.62)	1,96,158 (33.26)	5,89,787
1980-81	2,85,015 (35.69)	2,04,861 (25.66)	3,00,614 (37.65)	7,98,506
1990-91	3,97,971 (29.53)	3,72,360 (27.63)	5,73,465 (42.55)	13,47,889
2000-01	5,22,755 (22.39)	6,40,043 (26.54)	11,85,683 (51.07)	23,48,481
2010-11	7,17,814 (14.59)	13,73,339 (27.92)	28,27,380 (57.48)	49,18,533
2011-12	7,53,832 (14.37)	14,80,657 (28.22)	30,13,041 (57.42)	52,47,530
2012-13	7,64,510 (13.95)	14,94,921 (27.27)	32,22,680 (58.79)	54,82,111
2013-14	8,00,548 (13.94)	15,00,225 (26.13)	34,41,017 (59.93)	57,41,791

[Source : Planning Commission Report 2014]



Reasons behind Rapid Growth of Service Sector

Now the question arises : Why is the tertiary sector



becoming most important in India? There could be several reasons behind this growth.

- (1) The service sector provides the basic services (such as health, education, post and telegraph services, maintenance of law and order, administrative services, transport services, banking and insurance services etc), for the development and provision of which government takes the responsibility.
- (2) The development of agriculture and industry requires the development of services such as transport, storage, trade, means of communication etc.
- (3) As income levels rise, certain sections of people start demanding more services like hotels, tourism,

shopping, private schools, private hospitals etc.

- (4) Over the past decade, services based on information and technology are being increasingly demanded.
- (5) Service sector employs many different kinds of people like small shopkeepers, repair persons, transport persons etc. It also employs highly skilled and educated workers. However, their number is limited.
- (6) Several top Indian companies have been able to benefit from the increased competition. They have invested in newer technology and production methods and raised their production standards. Some have gained from successful collaborations with foreign companies.

Moreover, globalisation has enabled some large Indian companies to emerge as multinationals. Tata Motors (automobiles), Infosys (IT), Ranbaxy (medicines), Asian Paints (paints), Sundaram Fasteners (nuts and bolts) are some Indian companies which are spreading their operations worldwide.

Globalisation has also created new opportunities for companies providing services, particularly those involving IT. Besides, a host of services such as data entry, accounting, administrative tasks, engineering are now being done cheaply in countries such as India and are exported to the developed countries.

It is in fact the service sector which underwent revolutionary changes as

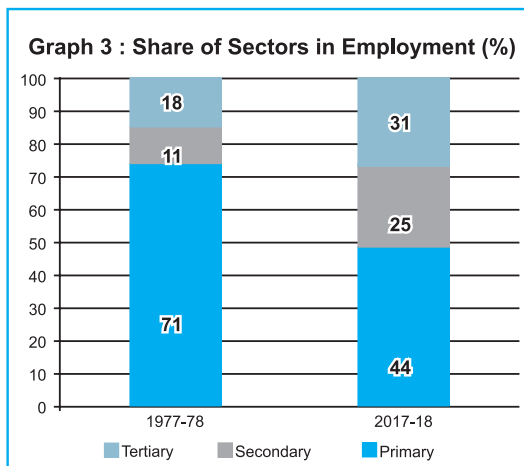
a result of the policy of liberalisation. Our service sector grew quickly with a growth rate of 7.5% during 1991-2000 against the growth rate of 4.5% in 1951-80. Information technology and business process outsourcing are among the fastest growing sectors. The growth in the IT sector is attributed to increased specialisation and an availability of a large pool of low cost, but highly skilled educated and fluent English speaking workers on the supply side. This is matched by an increased demand from foreign consumers looking to out- source their operations. The share of the Indian IT industry in the country's GDP increased from 4.8% in 2005-06 to 9.8% in 2009. In 2009 seven Indian firms were listed among the top 15 technology outsourcing companies in the world. This situation has improved further. Tourism in India is relatively underdeveloped but growing at double digits. Some hospitals attract medical tourism.

The service sector in India has the largest share in the GDP accounting for 57% in 2009-10 and provides employment to 23% of the total workforce. In 1990-91, these percentage figures were 40.6% and 14% respectively.

(ii) Based on Employment

A remarkable fact about India is that while there has been a change in the share of the three sectors in GDP, a similar shift has not taken place in employment. The graph below shows the

share of employment in the three sectors in 1977-78 and 2017-18.



Although, the contribution of primary sector in GDP has declined significantly, the proportion of workforce that works in this sector has not fallen much. It has marginally declined from 71% in 1977-78 to about 44% in 2017-18. It continued to be the largest employer even in the year 2017. On the other hand, service sector which accounts for more than 50% of GDP employs only about 31% of the workforce. The contribution of the secondary sector both in terms of production and employment did not change much.

Hence in India, the shift in terms of production is taking place directly from primary sector to the service sector.

Why didn't a similar shift out of primary sector happen in case of employment? It is because enough jobs were not created in the secondary and tertiary sectors. Even though industrial production went up by 8 times during the period, employment in the industry went up by only 2.5 times. The same

applies to tertiary sector as well. While production in the service sector rose by 11 times, employment in the service sector rose by less than 3 times. This means that there are more people employed in agriculture than actually required. So if some people are taken out from agriculture, production will not be affected. This kind of situation in the agricultural sector is termed as **disguised unemployment or underemployment**. Some people in the agricultural sector are disguisedly unemployed in the sense that if they are removed, the output is not affected, because these people are not contributing in total production. **So if the surplus labour from agriculture is removed and provided proper work elsewhere, agricultural production will not decline. Rather incomes of the people who take up work elsewhere would increase the total family income.**

Besides agriculture, under-employment can also prevail in other sectors. For example, there are thousands of casual workers in the service sector in urban areas who look for daily employment. They are employed as painters, plumbers, repair persons etc. Many of them fail to find work everyday. You may find several other people also, who work as street vendors, rickshaw pullers etc. They spend the whole day, earning very little. They are doing this because they do not find better employment opportunities.

India as a Major Service Provider to the World

How to Create More Employment?

The following measures can be adopted to remove disguised



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unemployment or under-employment.

- (i) In semi-rural areas, more industries and services can be promoted where a large number of people may be employed.
- (ii) One or two members of the family can be made to work on daily wages in the field of a big farmer.
- (iii) Some members of such a family may shift to work in a nearby factory and thus can earn money for the family.
- (iv) The government / banks can provide concessional loans to the small farmers to improve their irrigation facilities like setting up of pump sets. The farmers can grow two or three crops in a year. Thus more people can be employed on the same field.
- (v) In villages near forest areas, we can start honey collection centres where farmers can come and sell wild honey.
- (vi) By improving the education and health infrastructure, we can provide lakhs of jobs for teachers, doctors, nurses etc. A study conducted by the Planning Commission estimates that nearly 20 lakh jobs can be created in the education sector alone. This would also raise the level of human development.
- (vii) Tourism has vast potential for increasing the income and employment for people.

MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT, 2005 (MGNREGA)



As some of the measures discussed above would take a long time to implement, we also need some short term measures. Keeping this thing in view, the central government in India made a law known as National Rural Employment Guarantee Act, 2005. Under MGNREGA 2005, all those who are able to work, and are in need of work, can apply for work. Thus one person have been guaranteed 100 days of employment in every rural household in a year. If the government fails in its duty to provide employment within 15 days it will give unemployment allowances to the unemployed people. Later, the scheme will be extended to 600 districts.

The scheme was launched in February 2006, initially in 200 districts. From April 2008 it has now become applicable to the whole of the country. The scheme is now called Mahatma Gandhi National Rural Employment Guarantee Scheme.

CLASSIFICATION BASED ON EMPLOYMENT CONDITIONS (ORGANISED AND UNORGANISED SECTORS)



An economy can also be classified into organised and unorganised sectors. Here, **the activities in the economy are classified on the basis of employment conditions. Organised sector** covers those enterprises or places of work where the terms of employment are regular and therefore, people have assured

work. They are governed by certain rules and regulations. The economy is called organised because it has some formal processes and procedures. In this sector, self-employed people too have to register themselves with the government. **Unorganised sector**, on the other hand, includes those activities of people where no rules and regulations are followed. Landless agricultural labourers, small and marginal farmers, artisans in rural areas and workers in small industries, casual workers in construction, trade and transport, street vendors, garment makers, rag-pickers etc. in urban areas fall under the category of unorganised sector.

Employment Conditions

Workers in the organised sector enjoy security of employment. They are expected to work only for a fixed number of hours. If they are asked to work more, they will be paid overtime by the employer. Workers working in the organised sector also enjoy other benefits like provident fund, gratuity, paid leave, medical benefits and pension after retirement. Various laws like Factories Act, Minimum Wage Act, Payments of Gratuity Act, Shops and Establishments Act etc. are strictly followed.

On the other hand, workers in the unorganised sector do not have any job security. They are not paid fair wages. They are often exploited by their employers. Their earnings are not regular. They have no other benefits. If they fail to go to their work, no wage is paid to them for that day. Majority of the workers in India belong to this sector.

In 2011-12 there were about 47.41 crore workers in the country. Out of them about 39.14 crore workers (about 82.7 percent of the total) were working in the unorganised sector.

In the unorganised sector there are no regulations on the lenders. Hence, farmers are exploited by the money-lenders in all possible ways. For example, besides charging very high interest rates, they manipulate accounts. They force the poor farmers to work for them at low wages. Poor farmers and other people are compelled to depend on them because in many parts of the country, banks are not available. But even if banks are available poor farmers cannot fulfil the requirements of the banks such as collateral documentation etc.

Workers in the unorganised sector both in the rural areas (like barbers, agricultural labourers, poor farmers, artisans etc.), and urban areas (workers in small industries, casual workers in construction, trade and transport etc.) are exploited economically. Workers belonging to the scheduled castes, scheduled tribes and backward communities who are in large numbers in the unorganised sector have not only to face their economic exploitation but social discrimination too. They are excluded people of the society who are not allowed to live in better surroundings with better off people.

Measures to Protect Workers in the Unorganised Sector

Workers in the unorganised sector are vulnerable people who need protection.

They are exploited in one way or the other, because government has initially no control over this sector. The following measures need to be taken to improve their conditions.

- (i) Nearly 80 per cent of rural households in India are small and marginal farmers. They need to be given facilities like timely delivery of seeds, agricultural inputs, credit, storage and marketing outlets etc.
- (ii) Workers in urban areas should be provided government help for procuring raw materials and marketing their outputs.

CLASSIFICATION BASED ON OWNERSHIP (PUBLIC AND PRIVATE SECTORS)



Another way of classifying economic activities into sectors (public and private sectors) could be on the basis of ownership. **In the public sector**, the government owns most of the assets. Industries owned by the government or its agencies are called Public Sector Undertakings (PSUs). Indian Railways, Post Office, Indian Oil Corporation Ltd. (IOCL), Steel Authority of India Ltd (SAIL) are some of the examples of PSUs. The purpose of the public sector is not to earn profits. There are a number of activities which are required by the society as a whole but the private sector does not like to take initiative because of low rate of return. And some of these activities need a large sum of money which is beyond the capacity of the private sector. Even if they provide these things they would charge a high

price for their use. Construction of roads, bridges, railways, harbours, generating electricity, providing irrigation through dams etc. are examples of such activities. Thus, governments have to undertake such heavy spending and ensure that these facilities are available for everyone in the society.

Private sector, on the other hand, covers all those economic activities which are owned and controlled by individuals or firms. The ownership of assets and delivery of goods and services remain in the hands of private individuals or companies. For example, in rural India, agriculture and all small scale rural industries are under private ownership. Modern large scale industries like Tata Iron and Steel Company Ltd., Reliance Industries Ltd., Mahindra and Mahindra Ltd. are privately owned. In recent years, private sector has started providing services like banking, insurance, airlines etc. The activities in the private sector are guided by the motive of profit.

Need for Public Sector

After independence, India's process of economic development was launched within the framework of a mixed economy. A mixed economy is one which is characterised by the existence of both the private and public sector. Although, the size of public sector is contracting, yet it is quite necessary to have a public sector. The need for public sector arises because of the following reasons.

- (i) The motivating force in the private sector is profit making instead of

social welfare. So to fulfil the planned targets, the government can rely on public sector.

- (ii) There are a large number of activities which are the primary responsibility of the government. The government must spend on these. Providing health and education facilities for all at a nominal price is one example. Private sector cannot be expected to step in significantly because of low rate of profitability.
- (iii) Government also needs to pay attention to other aspects of human development such as availability of safe drinking water, housing facilities for the poor, food and nutrition etc.
- (iv) Large scale investment is needed in basic and key industries and in infrastructure. Public sector can undertake this role as these areas would be beyond the capacity of private sector.
- (v) Private sector, generally, would not be interested in the development of industrially backward areas. The government can establish public enterprises in such areas.
- (vi) It is the government only which often bears some of the cost for the benefit of the public especially for the poor. Poor people are given essential goods like wheat, kerosene oil etc., at lower prices than they buy from the market.

INVESTMENT IN EDUCATION AND HEALTH

Investment in human capital (through education, training,



medical care etc.) yields a return just like investment in physical capital. This can be seen directly in the form of higher incomes earned because of higher productivity of the more educated or the better trained persons, as well as the higher productivity of healthier people.

India's Green Revolution is a dramatic example of how the input of greater knowledge in the form of improved production technologies can rapidly increase the productivity of scarce land resources. India's IT revolution is a striking instance of how the importance of human capital has come to acquire a higher position than that of material, plant and machinery.

Not only do the more educated and the healthier people gain through higher incomes, society also gains in other indirect ways because the advantages of a more educated or a healthier population spreads to those also who themselves are not directly educated or given healthcare. In fact, human capital is in one way superior to other resources like land and physical capital: human resource can make use of land and capital. Land and capital cannot become useful on its own!

For many decades in India, a large population has been considered a liability rather than an asset. But a large population need not be a liability. It can be turned into a productive asset by investment in human capital (by spending on education and health for all, training of industrial and agricultural workers in the use of modern technology, useful scientific researches and so on).

Investment in human resource (via education and medical care) can give high rates of return in the future. This investment on people is the same as investment in land and capital.

A child, too, with investments made on her education and health, can yield a high return in the future in the form of higher earnings and greater contribution to the society. Educated parents are found to invest more heavily on the education of their child. This is because they have realised the importance of education for themselves. They are also conscious of proper nutrition and hygiene. They accordingly look after their children's needs for education and good health. A virtuous cycle is thus created in this case. In contrast, a vicious cycle may be created by disadvantaged parents who themselves are uneducated.

Countries like Japan have invested largely in human resource. They do not have much of natural resource. These countries are developed/rich countries. They import the natural resource which is needed in their country. They have invested on people especially in the field of education and health. These people have made efficient use of other resources like land and capital. Efficiency and the technology evolved by people have made these countries rich and developed.

The health of a person helps him to realise his potential and the ability to fight illness. An unhealthy person becomes a liability for others. Henceforth, improvement in the health status of the population has been the priority of the

country. Our national policy, too aims at improving the accessibility of healthcare, family welfare and nutritional service with a special focus on the under-privileged segment of population. Over the last five decades India has built up a vast health infrastructure and has developed man-power required at primary, secondary and tertiary sector in Government as well as in the private sector.

GOVERNMENT'S ENDEAVOUR IN EDUCATION AND HEALTH



The Ministry's endeavour has also been to achieve education for all. Special emphasis is laid on education of children belonging to disadvantaged groups and simultaneously to provide greater opportunities for access to quality higher education by investing in infrastructure and faculty, promoting academic reforms, improving governance and institutional restructuring. The RTE and SSA (Right of Children to Free and Compulsory Education Act, 2009 and Sarva Shiksha Abhiyan) lays a special focus on the children of disadvantaged social groups (SC, ST, OBC and minority communities). It provides for development of specific interventions/strategies for education of these target groups. The initiatives include, ensuring availability of primary and upper primary schools within the habitation, uniforms, textbooks, etc. with special training interventions focused on girls and disadvantaged groups. This has been possible due to awareness among parents towards access to education and role of the State to make more and more

schools available to SC, ST and minority children.

The Government has taken several initiatives in healthcare. Some of these are :

- (a) Large scale vaccination programmes like that of polio.
- (b) Setting up new government hospitals and medical colleges.
- (c) Setting up six new AIIMS in different parts of India.
- (d) Encouragement to private sector in health care for setting up private hospitals and nursing homes.
- (e) Reasonable pricing of necessary medicines.
- (f) Special emphasis on eradication of communicable diseases.
- (g) Improving water supply, sewage and sanitation infrastructure etc.

POINTS TO REMEMBER

- A framework within which all economic activities of a country can be largely described is called the economy.
- Based on economic activities, an economy can broadly be classified into three sectors, i.e., primary sector, secondary sector and tertiary sector.
- The value of final goods and services produced in each sector during a particular year gives us the Gross Domestic Product (GDP).
- GDP shows the value of final goods and services only.
- As an economy develops the relative importance of three sectors in the economy also changes.
- Globalisation has enabled some large Indian companies to emerge as multinationals.
- The services sector underwent revolutionary changes as a result of liberalisation.
- In India, there has been a change in the share of the three sectors in GDP, a similar shift has not taken place in employment.
- Mahatma Gandhi National Rural Employment Guarantee Act was launched in February 2006 in 200 districts.
- An economy can also be classified into organised and unorganised sectors on the basis of employment conditions.
- On the basis of ownership, economic activities are classified into two sectors, i.e., public sector and private sector.
- Investment in human capital include education, training, medical care etc.

IMPORTANT TERMS

- **Economy** : A framework within which all economic activities of a country can be largely described.
- **Sector** : A collection of production units.
- **Primary Sector** : The sector which includes agriculture and allied activities e.g forestry, dairying, fishing etc.
- **Secondary Sector** : It covers activities relating to manufacturing and construction.
- **Tertiary Sector** : This sector provides services to the primary and secondary sectors

e.g. transport, storage, communication etc.

- o **Gross Domestic Product** : The value of all final goods and services produced in each sector during a particular year.
- o **Medical tourism** : People travelling to a country other than their own to obtain medical treatment.
- o **Disguised unemployment** : It exists where part of the labour force is either left without work or is working in a manner where worker productivity is zero.
- o **Underemployment** : The condition at which workers are at jobs which is inadequate with respect to their training or education.
- o **Public Sector** : It is that portion of an economic system that is controlled by national, state or local governments.
- o **Private Sector** : An economic system that is run by individuals and companies rather than the government.

EXERCISES

I. Multiple Choice Questions

1. The sector that converts raw materials into goods is the
(a) Primary sector (b) Secondary sector
(c) Tertiary sector (d) Organised sector
2. In which sector activities are not guided by profit motive?
(a) Public sector (b) Private sector
(c) Organised sector (d) Unorganised sector
3. Services of teachers, doctors, lawyers etc. are included in the
(a) Primary sector (b) Secondary sector (c) Tertiary sector (d) All of these
4. There was a strike announced by the "Transport union" due to which the Lorries refused to transport vegetables, milk, etc. from the rural areas to the urban areas. Food became scarce in urban areas whereas farmers were unable to sell their products. Which of the following sectors are affected due to the strike carried out by the "Transport Union".
(a) Primary and Secondary (b) Secondary and Tertiary
(c) Tertiary, Primary and Secondary (d) Tertiary and Primary.

5. **Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.**

Assertion (A): Intermediate goods are sold by one producer to another either for further processing or for resale.

Reason (R): All intermediate goods after processing become final goods.

- (a) Both the Assertion (A) and Reason (R) are true, and the Reason is a correct explanation of the Assertion.
- (b) Both the Assertion and Reason are true, but the Reason is NOT a correct explanation of the Assertion.
- (c) The Assertion is true, but the Reason is false.
- (d) The Assertion is false, but the Reason is true



II. Very Short Answer Questions

1. Mention one reason for the need of public sector in India.
2. What are secondary activities?
3. Name the sector where goods and products are produced by exploiting natural resources.
4. Why is the tertiary sector also called the service sector?



III. Short Answer Questions

1. What is meant by disguised unemployment? Give an example.
2. Mention any one measure to remove unemployment in India.
3. What is public sector? Give examples of public sector units.



IV. Long Answer Questions

1. Distinguish between organised and unorganised sectors of Indian economy.
2. 'The tertiary sector is becoming the most important sector in India.' Give reasons in support of the statement.
3. Explain how public sector contributes in the economic development of a country.



V. Case Based Questions

The tertiary sector has emerged as the largest producing sector in India replacing the primary sector. There could be several reasons. First, in any country several services such as hospitals, educational institutions, post and telegraph services, police stations, courts, village administrative offices, municipal corporations, defence, transport, banks, insurance companies, etc. are required. These can be considered as basic services. In a developing country the government has to take responsibility for the provision of these services. Second, the development of agriculture and industry leads to the development of services such as transport, trade, storage and the like. Greater the development of the primary and secondary sectors more would be the demand for such services. Third, as income levels rise, certain sections of people start demanding many more services like eating out, tourism, shopping, private hospitals, private schools, professional training etc. You can see this change quite sharply in cities, especially in big cities. Fourth, over the past decade or so, certain new services such as those based on information and communication technology have become important and essential. The production of these services has been rising rapidly.



1. In which sector do you think Amazon, Flipkart falls? How it has transformed the system of buying in big cities.
2. How tertiary sector helps in promoting education?

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Consumer Awareness

INTRODUCTION

The act of using up goods and services to satisfy wants is called 'consumption.' The one who consumes goods and services is called a consumer. If we look at the consumer in this way, then fundamentally all human beings are consumers.

In the modern philosophy of marketing, a consumer is supposed to be the king and business is expected to provide maximum possible satisfaction to consumers. But in reality, consumers are often exploited. In a country like India there is shortage of many products. A few firms enjoy monopoly powers in the market place. A large majority of consumers are ignorant and illiterate and do not know their rights. They are poor and there is lack of unity among them. Due to all these reasons, consumers are often deprived of their rights. They are often exploited through misleading advertisements, poor quality



goods, fractional weights and measures, overcharging etc. Thus, the consumer awareness is very necessary to avoid exploitation.

CLASSIFICATION OF CONSUMERS



Consumers are the basic economic entities in an economy. They consume a variety of goods and services to satisfy their wants. Their main objective is to obtain maximum satisfaction with their given limited income. Consumers are not only restricted to individuals. They also include groups of individuals and institutions.

On the basis of nature of consumption, consumers may be classified as follows.

- (i) **Direct Consumers :** The producers, in the ancient time, produced only for themselves and their families. The food they ate, the clothes they wore, the houses they constructed were all goods they produced for self-consumption. Thus, the producers producing goods for self-consumption are called direct consumers or direct producers.
- (ii) **Consumers by exchanging products :** Gradually with the passage of time, people understood the advantage of specialisation in the production of one or a few commodities and exchanging them for one another's products. For example, the cultivators



Consumer Awareness

produced only wheat, and the weavers produced only cloth. They exchanged their surplus production with each other. This is called barter system. This created marketable surplus. The producers started producing more to exchange with the producer of other product. Thus, people started consuming goods by exchanging with other goods.

- (iii) **Modern Consumers** : Nowadays, producers produce goods and services and make them available in the market for consumers. Modern consumers make purchases of various goods and services from the market who offer them best bargain. All these purchases are made in terms of money.

FORMS OF CONSUMER EXPLOITATION



There are a variety of goods and services available in the market. These have so large a number of close substitutes which make it difficult for us to make a right choice. When we as consumers do not have sufficient information about the products, we normally get exploited and are sometimes even harassed by the business community.

Exploitation takes various forms. Some common forms of exploitation are given below :

- (i) **Underweighing and Under-Measurements** : The goods being sold in the market are sometimes not measured or weighed correctly. Shopkeepers weigh or measure

less than what they should.

- (ii) **Sub-Standard Quality** : The goods sold are sometimes of sub-standard quality. For example, selling of medicines beyond their expiry dates, supply of defective home appliances etc.
- (iii) **High Prices** : Traders charge high prices by adding charges that were not mentioned before.
- (iv) **Duplicate Articles** : It has also been found that traders, in the name of genuine parts or goods, sell duplicate items.
- (v) **Adulteration** : Traders are found to be involved in adulteration. In order to earn higher profits, adulteration is made in costly items like edible oils, spices etc.
- (vi) **Lack of Safety Devices** : Many electronic goods, electrical devices or other appliances lack the required in-built safety devices. This causes accidents to the consumers.
- (vii) **False Information** : Sellers easily mislead consumers by giving wrong information about their products. For example, a company for years sold powder milk for babies all over the world as the most scientific product, claiming this to be better than mother's milk. After years of struggle the company was later forced to accept that it had been making a false claim.
- (viii) **Rough Behaviour and Undue Conditions** : Sometimes, consumers are harassed by the traders / sellers. The traders

impose undue conditions on them. For example, while getting an LPG connection, consumers are forced to purchase a gas stove along with gas connection. Similarly, while obtaining licensed items, consumers are quite often harassed.

FACTORS CAUSING CONSUMER EXPLOITATION



The following are the major factors that cause exploitation of the consumers:

- (i) **Consumers generally are ignorant** about different aspects of the products namely price, quality, composition, conditions of use, terms of purchase etc. Hence, they are liable to make a wrong choice.
- (ii) Consumers are exploited **when goods and services are not available in the market** in the required quantity or numbers. This gives rise to black marketing.
- (iii) **Markets do not work in a fair manner when producers are few and powerful.** In such cases, the sellers have an upper hand in fixing the price. In the production and sale of consumer durables like houses, medicines and drugs, automobiles etc. producers succeed in charging higher prices.

CONSUMER MOVEMENT

The consumer movement arose out of dissatisfaction of the consumers against the unfair trade practices by the sellers. Similarly, there was no legal system available to protect the consumers from this kind



of exploitation. In the past, when a consumer was not satisfied or happy with a particular brand product or shop, he/she generally used to avoid that brand product or shop. It took years together to create consumer awareness. However, organised and systematic movement to safeguard the interests of consumers is a recent phenomenon. This developed in the late 1980s and early 1990s with the growing liberalisation of economy.

CONSUMER PROTECTION ACT, 1986



Consumer Protection Act

However, a modern declaration about the consumers rights was first made in America in 1962 when four basic consumer rights (i.e., choice, information, safety, and to be heard) were recognised. Ralph Nadar, a consumer activist, is considered as the father of consumer movement. **March 15 is celebrated as the World Consumer Rights Day.**

Since 1991, our government gradually withdrew from production activities and allowed the private sector to take over. It was realised that there is a greater need to enforce discipline and regulation in the market. The need for consumer awareness was also felt. The consumers have to be aware of the market conditions as well as about the

Need for Consumer Awareness

The need for consumer awareness arises because of the following reasons:

- (i) Manufacturers and traders can go to any extent to earn more profits. Hence, consumers need to be watchful at the market place. Sometimes, the sellers can charge high prices. They do not measure or weigh correctly.
- (ii) The consumers have to be aware not only of the commercial aspects of sale and purchase of goods but also of the health and security aspects. Health safety has become an important element of consumer awareness these days. Charging of high price is not as harmful as the adulteration in food items.

health and security aspects of goods. This called for a strong legal measure to protect the interests of consumers.

India has observed December 24 as the National Consumers' Day. It was on this day that the Indian Parliament passed the **Consumer Protection Act in 1986**. The consumer movement in India has led to the formation of various organisations locally known as Consumer Forums or Consumer Protection Councils. They guide consumers on how to file cases in the consumer court. On many occasions, they also represent individual consumers in the consumer courts. These voluntary organisations also receive financial support from the government for creating awareness among the people.

The consumer movement in India has made some progress in terms of numbers of organised groups. At present, there are more than 700 consumer groups in the country, but only about 20-25 are well-organised and recognised for their activities. After the enactment of Consumer Protection Act, consumer awareness in India is surely spreading but slowly. Rules and regulations for working of markets are not followed. Consumer awareness can be effective only when consumers are actively involved. It requires a voluntary effort and struggle on the part of consumers.

Consumer Welfare Fund was created in **1992** with the objective of providing financial assistance to promote and protect the welfare of the consumer, create consumer awareness and strengthen consumer movement in India, especially in rural areas.

RIGHTS AND DUTIES OF CONSUMERS



Before we look at the steps taken by the government to protect the interests of consumers we must know the rights and duties of consumers.



Consumer Protection Act

Rights

- (i) *Right to Safety* : The consumers have the right to be protected against marketing of goods and services which are harmful to life and property. For example, pressure cookers have a safety valve which, if defective, can cause a serious accident.
- (ii) *Right to be Informed* : Consumers have the right to be informed about the particulars of goods and services that they purchase.
- (iii) *Right to Choose* : Consumers have the right to choose a commodity or service at competitive price.
- (iv) *Right to be Heard* : The consumers should be heard at appropriate forums regarding their complaints. They have the right to seek redressal against their exploitation.
- (v) *Right to Consumer Education* : This includes knowledge / information about goods and issues relating to consumer welfare.

Duties

In order to secure their rights, consumers have to fulfil the following duties :

- (i) Consumers should look at the quality of the products as well as the guarantee of the goods and services. They should preferably purchase quality marked products such as **ISI**, **Agmark** or **Hallmark**.
- (ii) Consumers should insist for a cash memo for the items purchased, wherever possible.
- (iii) Consumers should form consumer organisations.

- (iv) Consumers must make complaint for their genuine grievances even if the value of product is small. They can also take the help of consumer organisations.
- (v) Consumers must know about their rights properly and also must exercise them.

Real protection of consumers will come only with the active involvement of consumers themselves. Consumers can compel the producers and sellers to act in a transparent manner and prevent their exploitation. **The consumers can show / express their solidarity only by fulfilling their duties as explained above.**

CONSUMER PROTECTION MEASURES



In order to protect the interest of the consumers, the government undertake the following three measures :

- (i) Legislative measures
- (ii) Administrative measures
- (iii) Technical measures.

(i) Legislative Measures

The government enacted a law called the Consumer Protection Act in 1986 (popularly known as COPRA). The Act provides for the establishment of Consumer Disputes Redressal Agencies at district, state and national levels. At the district level, it is called **District Consumer Forum**, at the state level, it is called **State Consumer Commission**, while at national level, **National Consumer Commission**. These courts are popularly known as

Consumer Courts which look into the grievances and complaints of the consumers.

A district level court deals with the cases involving claims upto ₹ 20 lakhs, a state level courts between ₹ 20 lakhs and ₹ 1 crore and the national level court deals with cases involving claims exceeding ₹ 1 crore. If a case is dismissed in district level court, the consumer can also appeal in state and then in the national level court. To remove its shortcomings, the Act was amended twice in 1991 and 1993.

Thus, the Act has enabled us as consumers to have the **right to represent** in the consumer courts.

Right to Information Act, 2005

In October 2005, the Government of India enacted a law known as Right to Information Act. The Act ensures its citizens all the information about the functions of government departments.

(ii) **Administrative Measures**

(Public Distribution System) :

Apart from ensuring food security to the poor, Public Distribution System (PDS) is also supposed to be strengthened by measures to prevent hoarding and black marketing. The need for PDS was felt to control the market forces of demand and supply. Under this system, the government procures foodgrains and other essential items at predetermined prices. The prices of agricultural commodities are determined by

Agricultural Costs and Prices Commission. Then these stored items are distributed among the poor consumers at reasonable price. The PDS is maintained through the introduction of rationing system. There is, at present, a network of about 4.7 lakh **fair price shops** in our country.

(iii) **Technical Measures**

(Standardisation of Products) :

Another important measure undertaken by the government for consumer protection is the setting up of institutions for fixing up the standards for products. You must have seen logos like **ISI**, **Agmark** or **Hallmark**. Indian Standards Institution (ISI) whose headquarter is located in New Delhi has the responsibilities of laying down the standards for industrial and consumer products. A product with ISI mark ensures the quality of the product. The logo 'Agmark' is meant for the agricultural products. This scheme is run by the **Directorate of Marketing and Intelligence (DMI)** in the **Ministry of Agriculture**, Government of India. Products like honey, masala and spices carry such marks.

At international level, we have a non-government organisation called **International Organisation for Standardisation (ISO)** which was established in 1947. It is located in Geneva. If you find companies, goods, institutions certified by ISO 6000, ISO 14000 and the like, they

indicate that they meet the specific levels of standards.

However, we do find bad quality products in the market because the supervision of these rules is weak and the consumer movement is also not strong enough.



CONSUMERS INTERNATIONAL

"Consumers International" is an international body of consumer

movement created under the banner of United Nations. In 1985 United Nations adopted the UN Guidelines for Consumer Protection. This was a tool for nations to adopt measures to protect consumers and for consumer groups to force their governments to do so. At the international level, this body has provided the base for consumer movement. Today, Consumers International has 240 organisations from over 100 countries under it.

POINTS TO REMEMBER

- Consumers are the basic economic entity in an economy.
- On the basis of nature of consumption, consumers are classified as, direct consumers, consumers by exchanging products and modern consumers.
- In the market, consumers are exploited in various ways, such as, under weighing and under measurement, sub-standard quality, high prices, duplicate articles, adulteration, false information etc.
- Major factors that cause exploitation of the consumers include the following.
 - (i) Consumers generally are ignorant
 - (ii) Goods and services are not available in the market
 - (iii) Markets do not work in a fair manner
- Consumer movement arose out of dissatisfaction of the consumers against the unfair trade practices by the sellers.
- World Consumer Rights Day is celebrated on March 15.
- India has observed December 24 as the National Consumer Day.
- Consumer Welfare fund was created in 1992 to provide financial assistance to promote and protect the welfare of consumers.
- Five main Rights of Consumers include, Right to Safety, Right to be informed, Right to Choose, Right to be Heard, Right to Consumer Education.
- Indian Parliament passed the Consumer Protection Act in 1986.
- In October 2005, the Government of India enacted a law known as Right to Information Act.
- 'Consumers International' is an International body of consumer movement created under the banner of United Nations.

IMPORTANT TERMS

- **Consumer** : An individual who buys products or services for personal use and not for manufacturer or resale.
- **Consumer awareness** : Making the consumer aware of his or her rights or duties.

- o **Adulteration** : Mixing other matter of an inferior or harmful quality with food or drink intended to be sold.
- o **ISI** : An abbreviation of Indian Standards Institute is a certification mark for industrial products in India'.
- o **AGMARK** : It is a certification mark employed as agricultural products in India.
- o **Hallmark** : A mark stamped on articles of gold, silver or platinum by the British assay offices, certifying their standard of purity.

EXERCISES

I. Multiple Choice Questions



1. The agencies which look into the complaints of the consumers are popularly called :
 (a) consumer courts (b) consumer commissions
 (c) consumer forums (d) consumers cells
2. When was the Consumer Welfare Fund created in India?
 (a) 1937 (b) 1955 (c) 1986 (d) 1992
3. World Consumer Rights Day is observed on
 (a) March 15 (b) April 15 (c) May 15 (d) June 15
4. In what ways has the rise of consumer awareness affected advertising and marketing?
 (a) It has led to increased deceptive advertising practices
 (b) It has made advertising and marketing irrelevant
 (c) It has forced businesses to provide accurate information and avoid deceptive practices
 (d) It has resulted in businesses using only traditional advertising methods
5. **Read the following statements – Assertion (A) and Reason (R). Choose one of the correct alternatives given below.**
Assertion (A): Standardisation saves the consumers from malpractices and ensures high quality of product.
Reason (R): Government has created Bureau of Indian Standards (BIS) & Agmark to check the same.
 (a) Both the Assertion (A) and Reason (R) are true, and the Reason is a correct explanation of the Assertion.
 (b) Both the Assertion and Reason are true, but the Reason is NOT a correct explanation of the Assertion.
 (c) The Assertion is true, but the Reason is false.
 (d) The Assertion is false, but the Reason is true
6. A consumer purchases a product that is not as described by the seller. Which consumer right is being violated?

- (a) Right to be informed
- (c) Right to choose

- (b) Right to safety
- (d) Right to seek redressal

II. Very Short Answer Questions

1. Who is a consumer?
2. What is meant by adulteration?
3. What is 'Consumers International'?



III. Short Answer Questions

1. Name the three consumer protection measures.
2. Give the classification of consumers on the basis of nature of consumption.
3. How ignorance of consumer results in consumer exploitation?



IV. Long Answer Questions

1. What administrative measures are adopted by the Government for consumer protection?
2. Explain the duties of consumers while purchasing the goods.
3. What are the various factors causing consumer exploitation?
4. Explain the various rights of the consumers.
5. How does the Government protect the interests of the consumers?
6. How does exploitation of consumers take place in the market? Explain with the help of any five facts.



V. Case Based Questions

Vivaan after completing his graduation started working with a multinational company in Delhi. But due to ill health of his parents he had to go back to his village. There he noticed that the villagers were literate but ignorant about their rights. Many vegetable vendors were using stones as weights to sell their vegetables. Some shopkeepers were selling food items without having 'FPO mark'. Villagers did not find anything wrong with these practices. So to create awareness among villagers Vivaan decided to publish a weekly Journal 'Jan Jagriti'

1. Consumers in Vivaan's village are buying food items which do not have FPO mark. What does it show? Why FPO mark is important on food items?
2. What kind of information do you think Vivaan is publishing in Jan Jagriti?

