

The cover features a white rectangular area on a background of orange and grey blocks. A black and white photograph of a building's facade is visible on the right side. The main title is centered in the white area.

# **Class 9 Economics Notes**

**People as Resource**

Key Notes and Important Questions with Answers

## CHAPTER- 2

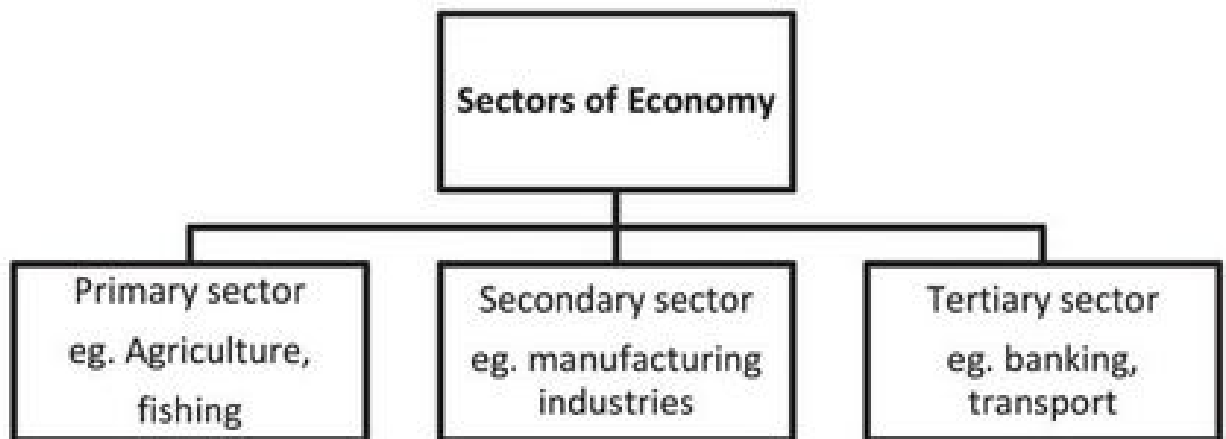
### PEOPLE AS RESOURCE

#### POINTS TO REMEMBER :-

- Human beings perform many activities which can be grouped into economic and noneconomic.
  - I. **Economic Activities:** Economic activities refer to those activities of man which are undertaken for a monetary gain to satisfy his/her needs. The activities of workers, farmers, shopkeepers, manufacturers, doctors, lawyers, taxi drivers, etc. fall under this category.
  - II. **Non-Economic Activities:** Non-economic activities are ones that are not undertaken for any monetary gain. These are also called unpaid activities, e.g., Puja in one's own home, housekeeping, helping the poor or disabled, etc.
- **Economic activities** can be of two types: **(a) Market Activities** and **(b) Non-Market Activities**
  - I. **Market activities** are performed for remuneration i.e pay or profit. Eg. Agriculture activities for selling crop produced.
  - II. **Non-market activities** are the activities carried out for self-consumption or production of fixed assets. Eg. Kitchen garden
- **Human Capital:** Human capital is the stock of skill and productive knowledge embodied in human beings. Population (human beings) become human capital when it is provided with better education, training and health care facilities.
- **Human Capital Formation:** When the existing human resource is further developed by spending on making the workforce more educated and healthy, it is called human capital formation
- **People as a resource** are a way of referring to a country's workforce in terms of their existing skills and abilities.
- The **quality of population** depends upon the literacy rate, life expectancy and skills formation acquired by the people of the country.
- **Education** is the most important component of human resource development because-

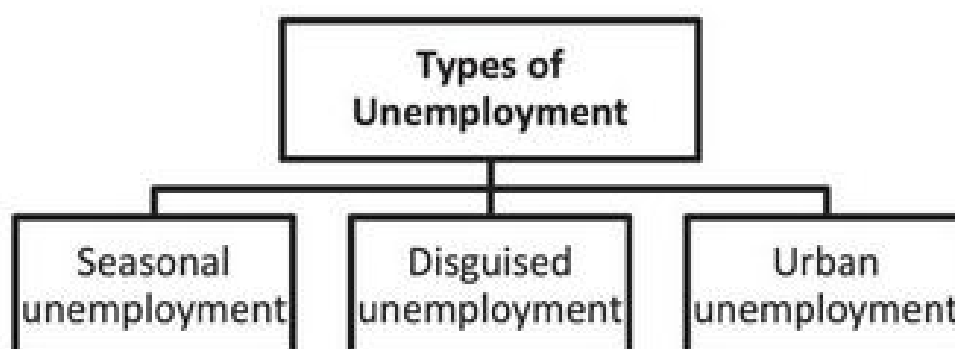
- I. **It** helps individual to make better use of economic opportunities available before him.
- II. **It** contributes towards the growth of society and also enhances the national income, cultural richness and efficiency of governance.
- III. Measures like Sarva Siksha Abhiyan (SSA), Mid Day Meal scheme (MDM) and Right to Education Act (RTE) have been introduced to push education at the farthest end.

- **Health** is another very important component of human resource development. Efficiency of workers largely depends on their health.
- If a person is healthy he would give his maximum output in his working hour resulting growth of economy.
- **Japan** is a country which lacks natural resources but due to its investment on human resource in the field of education and health it is one of the top developed countries.
- Due to historical and cultural reason there was a division of labour between man and women which is now on the verge of change.
- **Literacy rate** is the percentage of of population of an area at a particular time aged seven years or above who can read and write with understanding.
- **Life expectancy** is the average period that a person may expect to live.
- **Birth rate** is the number of live babies born per 1000 of population during a year.
- **Death rate or mortality rate** is the number of people die per 1000 of population during a year.
- **Infant mortality rate** is the number of deaths per 1000 live births of children under one year age.



- I. **Primary sector** includes those activities which are directly related to the extraction of natural resources, eg. agriculture, forestry, animal husbandry, fishing, poultry, farming and mining
- II. **Secondary sector** includes those activities which extracts its raw material from primary sector and modify them into other useful products. Hence it is mainly Manufacturing Industry.eg. sugar from sugarcane, manufacturing steel from raw iron, etc
- III. **Tertiary sector is also called service sector** as it provides the service to the above two sectors and help them to flourish.eg, banking, transportation, communication etc.

- **Unemployment** is said to exist when people who are willing to work at the prevailing wage rates cannot find jobs. When we talk of unemployed people, we refer to those in the age group of 15-59 years. Children below 15 years of age and the old people above 60 are not considered while counting the number of unemployed.



- I. **Seasonal unemployment** occurs when people fail to get work during some months of the year (that is, during off-season). Farm labourers usually face this kind of problem.
- II. **Disguised unemployment** refers to a situation where in the number of workers in a job is more than actually required to do the job. The extra number of workers is disguisedly unemployed. This also can be seen in agricultural workforce where more than required number (say 8-10 people) of family members is involved in work that could be done by five (5) people only. Means those 5 people are disguisedly unemployed as their presence or absence does not matter.
- III. **Urban unemployment** occurs when the educated person do not get employment according to its educational level or has to work below it. Eg. People having higher degree of educational qualification do not have work to do or a computer engineering degree holder is working as data entry operator in a firm.

### **1 Mark Questions**

1. Sarva Siksha Abhiyan is started for which age group?
2. Who are educated unemployed?
3. List any two activities associated with primary sector.
4. In which resource Japan has invested much?
5. Name two factors on which the quality of population depends.
6. What steps have been taken by the state and local self government to ensure compulsory primary education?
7. What step is taken to increase the admission intake in Primary education?
8. What is G.N.P stand for?
9. What is the aim of Mid Day Meal scheme in schools?
10. What are non market activities?

### **3/5 Mark Questions**

1. How Primary sector is different from secondary sector?
2. How education helps in the formation of Human Capital?

3. Does health also affect in the formation of human capital like education? Explain.
4. Write a short note on Sarva Siksha Abhiyan?
5. What is the meaning of Human capital formation?
6. What are the aims of National policy on Employment?
7. Distinguish between market and non market activities.
8. Who are said to be unemployed? Explain different types of unemployment with suitable example.
9. Why are domestic services of house-women not treated as economic activities?
10. Why is human resource the most important resource? What steps can be taken to improve the quality of human resource?
11. How does unemployment have a detrimental impact on the overall growth of an economy?
12. "Unemployment is an economic as well as a social evil." Explain the statement.
13. Suggest five steps to remove unemployment from the society?
14. How human capital is superior to other resources? Explain.
15. How the employability in any sector indicates the economic growth of country?

## **Answers**

### **1 Mark questions**

1. 6-14 years of age group.
2. Those people who do not get employment according to their academic qualification or are working below its skill are called educated unemployed.
3. agriculture, forestry, animal husbandry, fishing, poultry, farming, mining.(any two)
4. Human resource
5. Literacy rate and Life Expectancy.
6. Sarva Siksha Abhiyan
7. RTE, Mid Day Meal scheme, Bridge course etc.

8. Gross National Product.
9. To improve attendance and nutritional level of students.
10. Those activities which are done for self consumption is called non-market activity.

### **3/5 Mark questions**

1. (a) Primary sector activity is related directly with natural resources but secondary sector activity is related to the products of primary sector.  
(b) Primary sector extracts natural resources but secondary sector processes natural resources to finished or semi finished goods.  
(c) Examples of primary sector are agriculture, forestry, animal husbandry where as examples of secondary sector are textile industry, iron and steel industry, sugar industry, paper industry.
2. (a) Through education a person has all round development by which he could master the knowledge and skill.  
(b) It makes a person suitable to perform a nice job and got respectable salary.  
(c) It opens new avenues of opportunities.
3. (a) Like education health is also an important factor in the development of human capital.  
(b) Only a healthy person will give his optimum performance in the production and will help in the development of economy.  
(c) An unhealthy person will be a liability for the organisation and will be waste as human resource.
4. (a) Sarva Siksha Abhiyan (SSA) is Government of India's flagship programme for achievement of Universalization of Elementary Education (UEE) in a time bound manner.  
(a) It was started in 2001 by Atal Bihari Vajpayee government after modifying existing scheme like district Primary Education Programme (DPEP)  
(b) The programme got legal backing after 86<sup>th</sup> constitutional amendment, which made free and compulsory elementary education to the children of 6-14 years of age, a fundamental Right on 4<sup>th</sup> August 2009 and come into force from 1<sup>st</sup> April 2010.

5. (a) When the existing human resource is further developed by spending on making the workforce more educated and healthy, it is called human capital formation.

(b) Like physical capital It increases the productivity of a country.

6. (a) to lay more emphasis on under privilege class of society.

(b) to improve family welfare programmes and health services for them in urban as well as rural areas,

(c) to make nutritional services accessible to all section of society,

(d) Universalization of elementary education, opening of Navodaya schools in rural areas for meritorious students.

(e) to make the population more efficient by making them skilled through various vocational as well as technical education.

7.

| <b>Market Activities</b>                        | <b>Non-Market Activities</b>   |
|---|--|
| They are done for enumeration or pay.           | They are done for self pleasure.   |
| Production of goods and services is for market. | Production is mainly for self consumption so mainly processing of primary goods. |
| It is driven by Market forces.                  | Has little or no effect of Market forces.  |
| Eg. Doctor, engineer, rickshaw puller, etc.     | Kitchen garden, gardening, etc.  |

8. When people in the age group of 15-59 years are willing to work at the prevailing wage rates but cannot find work, then he/she is said to be unemployed.

Different types of unemployment are:-

(a) Seasonal unemployment

(b) Disguised unemployment

(c) Urban unemployment

(Explain each with example)

9. In India, most women generally look after domestic affairs like cooking of food, washing of clothes, cleaning of utensils, looking after children, etc. They are not treated as economic / productive activities. This is mainly because of two reasons:

(a) Such activities are performed out of love and affection and hence their valuation is not possible.

(b) They do not add to the flow of goods and services in the economy.

10. Existing 'human resource' is further developed by becoming more educated and healthy, which adds to the productive power of the country just like 'physical capital formation'. So, human resource is the most important resource. Steps to be taken to improve quality of human resource:

(a) Quality of human resource can be improved through better education, food and healthcare facilities.

(b) The quality of population depends upon the literacy rate, health of a person indicated by life expectancy and skill formation acquired by the people of the country.

11. (a) **Wastage of manpower resource:** In case of unemployment, manpower who is an asset for an economy turns into liability because utilisation of manpower becomes nil.

(b) **Economic overload:** Unemployment tends to increase economic overload because dependence

of unemployed on the working population increases. So the quality of life is adversely affected.

(c) **Unemployment leads to social waste:** Inability of educated people who are willing to work to find gainful employment implies a great social waste. Increase in unemployment is an indicator of a depressed economy.

12. (a) Today, unemployment is considered one of the most threatening problems before the country.

(b) The society is deprived of the goods and services that the unemployed people could have produced.

(c) Unemployment among the educated persons is more serious. This is due to investments made in them.

(d) Unemployment is not only an economic evil, it is a social problem too as it spreads social unrest and tension as unemployed people are a frustrated class of the society.

13. (a) Improved quality of education along with its Universalization

(b) Imparting Vocational or skill education through curriculum.

(c) Opening opportunities of self-employment in the form of small scale manufacturing units.

(d) Financial assistance as well as incentive to start new avenues to the skilled

(e) Ensuring percolation of existing government scheme to the needy one.

14. (a) No other resource can utilise itself as human do.

(b) All the precious minerals and other resources will lie idle until human will extract them.

(c) By its intellect and skill human can transform any resource for its utilisation.

(d) Only human can invent unseen resources from the existing one

(e) We have the example of Japan where there is an acute shortage of natural resources but due to its

superior human resource it is one of the most advanced country of the world.

15 (a) There is a close relationship between the employability in a sector with the developmental level of a country.

(b) If majority of population of a country is involved in primary sector that means it is underdeveloped as it doesn't have technology or lacks capital to convert natural resources for mass consumption.

(c) If maximum workforce is involved in secondary sector i.e manufacturing it will be a developing Country as it has capital to manufacture but consumption level is still low or per capita income is Moderate,

(d) Again if majority of employability is in tertiary force i.e service sector, it means country is developed. It is because consumption is high due to high per capita income. Due to which transportation of goods, through road, rail or even airways has flourished. More over banking facility will only sustain when there will be surplus income for the people.