

# Economics (214)

## SOLVED TUTOR MARKED ASSIGNMENT

### (OCTOBER 2024)

## ECONOMICS(214)

### TUTOR MARKED ASSIGNMENT

1. Answer any one of the following questions in about 40-60 words.

B) The development of the economy plays a pivotal role to creates needs and satisfying human wants. Explain

**Answer:-** Economic development often leads to increase employment opportunity and higher incomes for individuals. As people earn more , they gain the financial means to satisfy their basic needs,such as food,sheler,and clothing.A growing economy supports the diversification of goods and services. . To produce these goods and services, resources are used. With ever growing wants, we have been making greater use of resources. Resource may be natural or man-made. All resources can be classified into land, labour, capital and entrepreneurship.

2 Answer any one of the following questions in about 40-60 words.

A) Distinguish between labour-intensive techniques and capital-intensive techniques of production. Which one them is suitable for our economy and why?

**Answer :-**

LABOUR-INTENSIVE TECHNIQUES	CAPITAL-INTENSIVE TECHNIQUES
If goods and services are produced by employing more of labour and less of capital, it is nown as known as labour intensive method of Production.	If goods and services are produced by ploying employing more of capital it is called capital capital intensive method of production.
For example, clothes can be produced by Employing labour.	For example product can be produce by employing more machines.
Labour intensive technique requires man Force.	Capital intensive technique require large amount of capital to operate.
Less cost required.	High cost required.

Labour intensive method is more suitable for our economy because it ensure greater employment and social justice.

3. Answer any one of the following questions in about 40-60 words.

A) The role of producers in a perfectly competitive market and a monopoly market is reversed while determining the price of a commodity. Explain the reason.

**Answer:-** By “structure of market” we mean nature of the product, number of sellers and buyers in the market etc. On this basis we can give two extreme forms of market:

1. Monopoly market
2. Perfectly Competitive market

### 1 Monopoly

“Monopoly” means single seller. Monopoly is a market structure in which there is a single firm producing all the output and there is no close substitute of product sold by the monopolist, thereby ruling out any sort of competition. In this market the seller does not face any competition because there are no other sellers of the product he is selling.

Features of Monopoly

- (i) The monopolist is the only producer of the good.
- (ii) The aim of the monopolist is to maximise profit .

### 2 Perfectly Competitive market or Perfect Competition

The other extreme situation of monopoly market is called perfectly competitive market or perfect competition. Feature of Perfect Competition

- (i) Large number of sellers and buyers
- (ii) Homogeneous product
- (iii) Free entry and exit
- (iv) The government’s role is to provide protection to sellers and do not interfere in business.

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**4 Answer any one of the following questions in about 100-150 words.**

- A) “The extent of ‘Black Marketing’ is controlled by the instrument of ceiling price or control price for the welfare of the masses.” Explain the statement with a suitable illustration

**Answer:-** In order to protect the interest of consumers government fixes the maximum price of the commodity. This maximum price is generally lower than the equilibrium price. This is called control price or ceiling price. This price is fixed by the government. In India government has a control price or ceiling price of the commodities which it considers essential for the masses. For examples some goods such as wheat, rice, sugar, kerosene oil etc. have a control price. Due to excess demand for the commodity at ceiling price government resorts to rationing. Rationing means fixing of quota per head per unit of time.

**5 Answer any one of the following questions in about 100-150 words.**

- A) Compare the features of the perfect competitive market and a monopoly market.

**Answer:-**

- i. Monopoly is a single firm: while perfect competitive market has large number of sellers and buyers.
- ii. The monopolist produces all the output in a particular market while competitive market has Homogeneous product
- iii. The monopolist being the sole seller of the commodity in the market decides the price of the commodity as there is no one to challenge his price.

Under perfect competition there is no bar on any new firm or producer to enter the market to sell or produce the product. Similarly if any existing seller wants to exit then he is free to do so.

6 Prepare any one project out of the given below.

- A) Prepare a Project work on 'Poverty Alleviation' Program introduced by the Govt. under the structure of following headings- - Introduction. - Meaning and present situation of poverty. - A brief description of the Poverty Alleviation Program right from the period between, 2000 – 2022. - Findings. - Conclusion and Suggestions.

**Answer:-**

### **Introduction**

Poverty is a persistent and multifaceted challenge that has long been a priority for governments across the world. In India, addressing poverty has been a central focus of policy-making, given the country's large population and significant disparities in wealth and opportunities. Poverty alleviation programs are crucial as they aim to reduce poverty levels, enhance the standard of living, and ensure inclusive growth. This project explores the various poverty alleviation programs introduced by the Indian government from 2000 to 2022, examining their impact and effectiveness in addressing the issues of poverty.

### **Meaning and Present Situation of Poverty**

Poverty is commonly defined as a condition in which individuals or communities lack the financial resources to meet basic needs, including food, shelter, healthcare, and education. It is not just a lack of income but also a deprivation of essential services, opportunities, and rights. The poverty line is used as a benchmark to measure poverty, but this line varies based on regional and national standards.

As of 2022, despite significant economic growth, India still faces considerable challenges in eradicating poverty. Although the proportion of people living below the poverty line has decreased, a large section of the population continues to live in conditions of poverty or vulnerability. The COVID-19 pandemic exacerbated these issues, pushing millions back into poverty due to job losses, economic slowdown, and insufficient social safety nets.

### **A Brief Description of the Poverty Alleviation Programs (2000 – 2022)**

The Indian government has launched several poverty alleviation programs over the past two decades, focusing on different aspects of poverty, including income generation, food security, housing, and access to essential services.

1. **National Rural Employment Guarantee Act (NREGA) - 2005:** The NREGA, later renamed as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), was introduced to provide at least 100 days of wage employment per year to every rural household. This program aimed to enhance livelihood security in rural areas and create durable assets.

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2. **Pradhan Mantri Awas Yojana (PMAY) - 2015:** PMAY was launched to provide affordable housing for all by 2022. The program targeted the urban poor, including slum dwellers, and aimed to ensure that every citizen has access to a pucca house with basic amenities.
3. **Pradhan Mantri Jan Dhan Yojana (PMJDY) - 2014:** PMJDY aimed at financial inclusion by ensuring access to financial services such as bank accounts, credit, insurance, and pensions. The program sought to bring the unbanked population into the formal financial system, thereby empowering them economically.
4. **National Food Security Act (NFSA) - 2013:** The NFSA was enacted to provide subsidized food grains to approximately two-thirds of India's population. The act aimed to ensure food security and reduce hunger and malnutrition among the poor.
5. **Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) - 2014:** This program focused on skill development for rural youth, particularly from poor families. The objective was to enhance employability and ensure sustainable livelihoods through training and job placement.
6. **Pradhan Mantri Garib Kalyan Yojana (PMGKY) - 2016:** PMGKY was introduced as a welfare scheme for the poor, focusing on providing social security, healthcare, and income support, especially during emergencies such as the COVID-19 pandemic.
7. **Aatmanirbhar Bharat Abhiyan - 2020:** Launched in response to the COVID-19 pandemic, this initiative aimed to support the poor and vulnerable sections of society through direct cash transfers, food security, and employment schemes.

#### **Findings**

The poverty alleviation programs introduced by the government between 2000 and 2022 have had a mixed impact. MGNREGA, for instance, has been praised for providing employment and creating rural infrastructure but has also faced criticism for issues such as delayed payments and corruption. Programs like PMAY and PMJDY have significantly improved access to housing and financial services, though challenges in implementation and coverage remain.

Despite these efforts, poverty persists in many parts of India, particularly in rural areas and among marginalized communities. Structural issues such as inequality, lack of education, and inadequate healthcare continue to hinder the effectiveness of these programs. Additionally, the economic setbacks caused by the COVID-19 pandemic have revealed the vulnerabilities of the poor, highlighting the need for more resilient and inclusive social safety nets.

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#### **Conclusion and Suggestions**

In conclusion, the Indian government's poverty alleviation programs from 2000 to 2022 have made notable strides in reducing poverty and improving the lives of millions. However, there is still a long way to go to achieve the goal of eradicating poverty. To enhance the effectiveness of these programs, several suggestions can be made:

1. **Improved Implementation and Monitoring:** Strengthening the implementation mechanisms and ensuring transparency in the delivery of services is crucial. This includes reducing bureaucratic delays, combating corruption, and enhancing accountability.
2. **Focus on Education and Skill Development:** Investing in education and skill development is essential to break the cycle of poverty. Providing quality education and vocational training will empower individuals to secure better employment opportunities.
3. **Social Safety Nets:** Expanding and strengthening social safety nets, especially for vulnerable populations, will help protect them from economic shocks and crises.
4. **Inclusive Growth:** Policies should focus on inclusive growth that benefits all sections of society, particularly marginalized communities. This includes addressing issues of inequality and ensuring equitable access to resources and opportunities.
5. **Public-Private Partnerships:** Encouraging public-private partnerships can enhance the reach and impact of poverty alleviation programs, bringing in innovation and efficiency from the private sector.

By addressing these challenges and building on the successes of existing programs, India can move closer to the goal of a poverty-free society.