

HOTS (Higher Order Thinking skills)

1. **“We keep talking about the animal spirits of businessmen. But I think the farmers are the biggest businessmen of our country. They produce essential commodities required by us. If their animal spirits are depressed, it is not good for the country”.**

This is a comment made by Prime Minister Dr. Manmohan Singh on agricultural loan waiver announcement in budget 2008-09.

On the basis of the above comment, write down the importance of the agriculture sector in the development of Indian economy.

Waiving the agricultural debts to the tune of Rs. 60,000 crores in a single stroke is by far the most outstanding feature of the union budget for 2008-09. This is the Indian history's biggest ever loan waiver and debt relief package that will benefit about 3 crore marginal and small farmers and about 1 crore other farmers who have outstanding debt obligations.

Agriculture sector has been the most important sector of the Indian economy. In 1960's India attained self sufficiency in food production. It started to export food grains which came in excess, over and above its consumption needs. As most of the Indian population live in villages and agriculture being their main source of livelihood, the growth of agriculture measures the pulse of life in India. In fact the growth of Indian economy owed much to the growth of agriculture sector or the primary sector-which continues to be the largest employment provider even today. But this sector is now curiously facing a serious crisis with two farmers committing suicide every hour in 2007. In this situation loan waiver may be helpful to deal with the present circumstances of agriculture sector. It may be noted that the rate of agricultural growth in 2007-08 is only 2.7 per cent showing a considerable decline compared to the growth in early periods. This situation calls for a second green revolution in our country.

2. **A report relating to Indian farmers reveals that two Indian farmers had been committing suicide in every hour in the year 2007.**

State the economic factors which leads to the suicide of Indian farmers.

The year 2007 witnessed suicide of a large number of farmers. There are several social, political and economic factors behind such incidents. The economic factors include: faulty inputs like spurious seeds, pesticides and fertilizers, their high prices, low and

widely fluctuating prices and inadequate marketability of the output, failure of yields, irregular monsoon etc. The most important factor is the failure of the institutional credit. Private money lenders and informal creditors have played important roles in forcing farmers to commit suicide.

3. **Kerala Government recently announced a programme to issue interest-free loans to paddy cultivators in the state through cooperative societies.**

This shows that farm credit at reasonable rate is needed to rejuvenate the agriculture sector. On the basis of the above information write down the importance of availing rural credit at reasonable interest rates all over the country.

Even today many farmers in our country are unable to liberate themselves from the clutches of the so-called money lenders or non-institutional creditors. Non-availability of credit at reasonable interest rate from formal sector compel the farmers to stop cultivating. Number of suicides committed by the farmers in many parts of the country shows that the mounting burden of rural debt has crippled the rural economy. Now the agriculture sector of the country itself is facing serious challenges. Rural indebtedness is most important among them. The functioning of the rural cooperative credit institution has got deteriorated in many parts of the country. There is an urgent need for reviving cooperative credit structure in India.

4. **Bring out the major aspects of globalisation.**

Globalisation means 'integrating' the economy of a country with that of the rest of the world. The term globalisation has four important aspects. They are:

- Reduction of trade restrictions for the smooth flow of goods among nations.
- Creation of an environment for the free flow of capital among nations.
- Creation of an environment for the free flow of technology among nations.
- Creation of an environment for the free movement of labour among nations.

5. **List out the changes that globalisation has brought in your Panchayat.**

Each student will have to prepare a list of the changes that globalisation has brought in his/her panchayat. Therefore, the students may observe carefully and take note of the changes that have taken place in their

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Panchayats. Establishment of new schools and other educational institutions, SSI units, other industrial units, agro-based activities, export and import ventures etc. should come under their notice. Then prepare a list of changes that have taken place in their panchayat. They may arrive at conclusions taking into consideration the following guidelines prepared by us, so that the changes in their panchayats will bear the characteristics of some of these guidelines. Such characteristics may be pointed out.

Globalisation

- has created a totally different external environment in our panchayat.
- has brought about technical advancement
- has secured faster rate of economic growth (ie, national income has increased)
- has created more and more employment opportunities for our ever growing labour force.
- has been instrumental in giving agricultural activities, priority attention.
- has increased educational and vocational opportunities to a large extent
- has accelerated the pace of industrialisation.
- has erased the differences between domestic market and foreign market.
- has made possible the buying and selling goods and services from/to any country in the world.
- has made product planning and development to be based on market consideration of the entire world.
- has been instrumental in setting the mind and attitude to view the entire globe as a single market.
- has resulted in the growth of infrastructure quality.
- has resulted in the empowerment of women. (The participation of women in income generating activities for the family has increased considerably.)

6. Thomas purchased a hand set of 'Samsung' under the belief that it is 'Samsung' handset. We know that Samsung is a leading mobile phone manufacturer. He gets cheated. Can you justify this? Give reasons.

No; we can't justify this. The situation mentioned above is an example of unfair trade practice. To save the consumers from such exploitation various organisations have emerged as well as Consumer Protection Act has been constituted.

7. 'Roopkala Theatres' is a film theatre owned by Mr. Dinesh. He asks his theatre staff to sell bal-

cony tickets informing customers that other seats are full, despite seats are available in lower classes such as first class and second class. Which rights of customers are denied here?

Two rights of customers are denying here - Right to be informed and Right to choose.

The following are the rights of a consumer enshrined in the Consumer Protection Act, 1986.

(i) Right to safety: The consumers have the right to be protected against marketing of goods and services, which are hazardous to life and property.

(ii) Right to be Informed: This includes quality, quantity, potency, purity, standard and price of goods.

(iii) Right to choose: Assurance of access to variety of goods and services at competitive price. In case of single supplier, the consumer has the right to be assured of satisfactory quality and service at a fair price.

(iv) Right to be Heard: The consumer's interests should receive due consideration at appropriate forums relating to consumer welfare.

(v) Right to Seek Redressal: Seek redressal against unfair trade practices or exploitation of consumers and right to fair settlement of the genuine grievances.

(vi) Right to Consumer Education: This includes knowledge about goods and issues relating to consumer welfare.

3. Suppose, you have purchased some medicine from a shop and later you have noticed that its expiry date was a year back. The use of the medicine have damaged your health. Whose responsibility is to verify such details while purchasing? To which category of responsibility of consumer does this belong? Explain in brief.

This situation is an example of consumer's responsibility to adopt a cautious approach.

When the government withdrew itself from production activities and allowed the private sector to take over, it was felt that there is a greater need to enforce discipline and regulation in the market. 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. Food safety has become an important element of consumer awareness these days. In case of food products, their quality depends not only on their nutritional value, but also on their safety for human consumption. Ensuring the safety of food is an important aspect of creating awareness and promoting consumer welfare.