Economics Chapter 1 - The Story of Village Palampur

Agriculture is the most important sector of Indian Economy. The Indian agriculture sector accounts for 18 per cent of India’s gross domestic product (GDP) and employs 50% of the country’s workforce. India is the world’s largest producer of pulses, rice, wheat, spices and spice products. CBSE Class 9 Economics Chapter 1 – The Story of Village Palampur discusses topics related to the organisation of production, labour work, capital, crops production, transport, etc. All these topics are covered in our CBSE Class 9 Economics notes of Chapter 1, which are prepared by our subject experts. With these [CBSE Class 9 Social Science Notes](https://byjus.com/cbse-notes/class-9-social-science-notes/), learning Economics can be easy and effective. CBSE Class 9 Economics notes of Chapter 1 include all crucial concepts that help students to learn the chapter properly.

Chapter 1 The Story Of Village Palampur

[Chapter 1 – The Story of Village Palampur](javascript:void(0))

Introduction

Palampur is fairly connected with a well-developed system of roads, transport, electricity, irrigation, schools and health centres. The story of Palampur takes us through the different types of production activities in the village. In India, farming is the main production activity across villages.

Organisation of Production

The main aim of production is to produce goods and services, which require four essential things.

1. Land and other natural resources such as water, forests, minerals.
2. Labour
3. Physical Capital such as tools, machines, buildings, raw materials and money.

A variety of raw materials are required while production, such as the yarn used by the weaver and clay used by the potter. Money is also essential during production and both of them in hand are called working capital. The fourth requirement is knowledge and enterprise to be able to put together land, labour and physical capital and produce an output. Factors of production are combining of land, labour, physical capital and human capital.

Farming in Palampur

1. Land is fixed

For Palampur, village farming is their main production and the wellbeing of these people is related to production on the farms. But, there is a basic constraint in raising farm production. Land area under cultivation is practically fixed.

2. Is there a way one can grow more from the same land?

In the rainy season, Kharif farmers grow jowar and bajra followed by the cultivation of potato between October and December. In winter, farmers grow wheat and a part of the land is devoted to sugarcane harvested once every year. Due to well-developed irrigation, farmers can grow three different crops. Electricity transformed the system of irrigation. Multiple cropping means to grow more than one crop on a piece of land. Another way for higher yield is modern farming. In the later 1960s, the Green Revolution introduced the Indian farmer to cultivation of wheat and rice using high yielding varieties (HYVs) of seeds.

3. Will the land sustain?

Modern farming methods have overused the natural resource base. Due to increased use of chemical fertilisers, soil lost its fertility. Natural resources like soil fertility and groundwater are destroyed and it is very difficult to restore them.

4. How is land distributed between the farmers of Palampur?

Land is important for any kind of farming. In Palampur, about one-third of the 450 families are landless. Dalits have no land for cultivation. 240 families cultivate small plots of land less than 2 hectares in size. In Palampur, there are 60 families of medium and large farmers who cultivate more than 2 hectares of land.

5. Who will provide the labour?

Small farmers cultivate their own lands. Medium and large farmers hire labourers to cultivate their fields who come either from landless families or families cultivating small plots of land. Farm labourers will not have any right over the crops grown on the land. They will be paid on wages for their work which can be cash or in-kind e.g. crop. Sometimes labourers get meals also. Wages vary from region to region, crop to crop, one farm activity to another. Farm labourers are employed on a daily basis, or for one particular farm activity like harvesting, or for the whole year.

6. Capital needed in farming

Modern farming methods require a great deal of capital.

1. Most small farmers borrow money from large farmers or the village moneylenders or the traders who supply various inputs for cultivation. The rate of interest on such loans is very high.

2. The medium and large farmers have their own savings from farming. They are thus able to arrange for the capital needed.

7. Sale of Surplus Farm Products

The wheat the farmers produce from the land is retained in part for their family consumption and they sell the surplus wheat. Only the medium and large farmers supply wheat to the market.

Non-Farm Activities in Palampur

25 per cent of the people working in Palampur are engaged in activities other than agriculture.

1. Dairy — the other common activity

Other than agriculture, some people are engaged in dairy and the milk is sold in the nearby village.

2. An example of small-scale manufacturing in Palampur

People are engaged in small-scale manufacturing which are carried out at home or in the fields. This manufacturing involves very simple production methods.

3. The shopkeepers of Palampur

Traders of Palampur buy various goods from wholesale markets in the cities and sell them in the village. General stores in the village sell a wide range of items like rice, wheat, sugar, tea, oil, biscuits, soap, toothpaste, batteries, candles, notebooks, pen, pencil, even some cloth.

4. Transport: a fast developing sector

Transport services include rickshaws, tonga, jeep, tractor, truck drivers, traditional bullock cart and bogey. They transport people and goods from one place to another, and in return get paid for it.

**Exercises:**

**1. Every village in India is surveyed once in ten years during the Census and some of the details are presented in the following format. Fill up the following based on information on Palampur.**

1. **LOCATION:**
2. **TOTAL AREA OF THE VILLAGE:**
3. **LAND USE (in hectares):**

|  |  |  |
| --- | --- | --- |
| **Cultivated Land** | | **Land not available for cultivation (Area**  **covering dwellings, roads,**  **ponds, grazing ground)** |
| **Irrigated** | **Unirrigated** |
|  |  | **26 hectares** |

**d) FACILITIES:**

|  |  |
| --- | --- |
| **Educational** |  |
| **Medical** |  |
| **Market** |  |
| **Electricity Supply** |  |
| **Communication** |  |
| **Nearest Town** |  |

**Answer:**

1. LOCATION: Bulandshahr District, Western Uttar Pradesh
2. TOTAL AREA OF THE VILLAGE: 226 hectares
3. LAND USE (in hectares):

|  |  |  |
| --- | --- | --- |
| Cultivated Land | | Land not available for cultivation (Area  covering dwellings, roads,  ponds, grazing ground) |
| Irrigated | Unirrigated |
| 200 hectares | — | 26 hectares |

1. FACILITIES:

|  |  |
| --- | --- |
| Educational | 1 high school, 2 primary schools |
| Medical | 1 private dispensary, 1 primary health care centre run by the Government |
| Market | 2 markets: Raiganj and Shahpur |
| Electricity Supply | Most of the houses have electricity connections. Electricity powers all the tubewells in the fields and is used for various small business. |
| Communication | Well connected neighbouring villages, with Raiganj within 3 kms. Proper transportation including bullock carts, tongas, bogeys carrying jaggery. Also, motor vehicles like motorcycles, jeep, tractors and trucks are available for easy transportation. |
| Nearest Town | Shahpur |

**2. Modern farming methods require more inputs which are manufactured in industry. Do you agree?**

**Answer:**

Yes, it is correct to say that modern farming methods require more inputs which are manufactured in the industry. It is because modern farming methods use a high-yielding variety of seeds. These seeds require both chemical fertilisers and pesticides, agricultural implementations like tractors and proper irrigation facilities like electric tube wells and all these elements are manufactured in industries. However, on the other hand, traditional farming methods use a relatively low-yielding variety of seeds and use cow dunk and other natural manures as fertiliser, which is why they are less dependent on industrial outputs.

**3. How did the spread of electricity help farmers in Palampur?**

**Answer:**

The spread of electricity helped the farmers of Palampur as it helped in the transformation of the irrigation system of the village. The farmers earlier used Persian wheels to draw water from wells and irrigate small fields. But after the spread of electricity, electric tube wells replaced these Persian wheels. The first tube well was installed by the Government but later private tube wells were also settled by the farmers, resulting in the cultivation of the entire 200 hectares of irrigated land by the 1970s.

**4. Is it important to increase the area under irrigation? Why?**

**Answer:**

It is important to increase the land under irrigation because farming is the main source of income for the maximum part of the population in India and only less than 40 per cent of the land is cultivable in the country. Farmers are dependent on the erratic monsoon season and if the rainfall is less, farmers are bound to suffer a major loss. So if water is provided for irrigation to the farmers for a larger portion of land, it would give better output and make more land cultivable in India and also encourage farmers to take up newer farming methods without the fear of suffering loss.

**5. Construct a table on the distribution of land among the 450 families of Palampur.**

**Answer:**

The distribution of land among the 450 families of Palampur is as given below:

|  |  |
| --- | --- |
| Area of land Cultivated | Number of Families |
| 0 | 150 |
| Less than 2 hectares | 240 |
| More than 2 hectares | 60 |

**6. Why are the wages for farm labourers in Palampur less than minimum wages?**

**Answer:**

There are many landless farm labourers who are paid less than the minimum wages in Palampur. The Government declared wage for a farm labourer is Rs.300 per day but the competition for work among the farm labourers is very high, which is why people agree to work for lower wages.

**7. In your region, talk to two labourers. Choose either farm labourers or labourers working at construction sites. What wages do they get? Are they paid in cash or kind? Do they get work regularly? Are they in debt?**

**Answer:**

Students must perform this activity themselves and answer the question based on their survey.

**8. What are the different ways of increasing production on the same piece of land? Use examples to explain.**

**Answer:**

To grow more than one crop on a piece of land during the year is known as multiple cropping. It is the most common way of increasing production on a given piece of land. The best example of this is the cultivation in Palampur. In Palampur, jowar and bajra grow during the rainy season, followed by potato between October and December and during the winter season, wheat is sown in the fields. The main reason for this the well-developed system of irrigation.

**9. Describe the work of a farmer with 1 hectare of land.**

**Answer:**

A farmer with 1 hectare of land will be called a small farmer. Since the area for cultivation is small, the outcome may also not be high. So in order to be able to yield the land in the best possible way, the farmer needs money. This money is borrowed from a moneylender at a high interest rate and at times may also have to work as a farm labourer for the moneylender. Once the farm is cultivated, the produce has to be divided for personal use and for selling in the market. Whatever profit is earned, the farmer has to usually give it away to the moneylender and little sum of money is left for the use of the farmer himself. The only help a small farmer gets is that of his family members.

**10. How do the medium and large farmers obtain capital for farming? How is it different from the small farmers?**

**Answer:**

Large and medium farmers sell surplus farm products from a part of their produce. A part of the earnings is saved and kept for buying capital for the next season. A few of them give away the savings to small farmers and loans at high interest rates and get back the amount by the next season. Thus, they are able to arrange for the capital for farming from their own savings. Some farmers might also use the savings to buy cattle, trucks, or to set up shops.

**11. On what terms did Savita get a loan from Tejpal Singh? Would Savita’s condition be different if she could get a loan from the bank at a low rate of interest?**

**Answer:**

Savita got a loan from Tejpal Singh at the rate of interest of 24 per cent for four months and also had to work for Tejpal Singh as a farm labourer at the wage of Rs.100 per day during the harvest season.

The case would have been different if Savita would have taken the loan from a bank. It is because the rate of interest would have been lesser than what was asked by Tejpal Singh and also she would have been able to pay complete attention to our own field during the time of harvest.

**12. Talk to some old residents in your region and write a short report on the changes in irrigation and changes in production methods during the last 30 years.**

**Answer:**Students must do this question based on their own observation.

**13. What are the non-farm production activities taking place in your region? Make a short list.**

**Answer:**

The non-farm production activities taking place in our region are:

1. Dairy
2. Transportation
3. General Stores
4. Fishing
5. Mining

**14. What can be done so that more non-farm production activities can be started in villages?**

**Answer:**

To promote more non-farm production activities in villages the following steps can be taken:

1. Loans must be available for people at lower interest rates so that they can start up the non-farm activities.
2. Proper markets should be set up so that the produced goods can be sold.
3. The concerned authorities must set up better transportation between cities and villages so that the produced goods can be transported to cities and more money can be earned through the non-farming activities.

Multiple Choice Questions-

**1.Which of the following is grown in the rainy season?**

(a) Jowar and bajra              (b) Wheat

 (c)Soyabean                  (d)Rice

**Q.2. Which of the following is a Rabi crop?**

(a) Wheat                                        (b) Rice

(c) Cotton                         (d) Jowar and bajra

**Q.3. Which of the following is fixed capital?**

(a) Tools and machines                 (b) Fertilisers and pesticides

(c) Soil                (d) Seeds

**Q.4. Which of the following is a standard unit of measurement of land?**

(a) Bigha                                          (b) Hectare

(c) Acre                             (d) Guintha

**Q.5.**      **The minimum wages for a farm labourer set by the government is**

(a) Rs. 50                                         (b) Rs. 60

(c) Rs. 70                           (d) Rs. 80

**Q.6.**      **Money in hand is an example of**

(a) Human capital                          (b) Fixed capital

 (c) Working capital         (d) Physical capital

**Q.7. HYV seeds stands for**

(a) Heavy yielding variety seeds (b) High yielding variety seeds

(c) Half yielding variety seeds   (d) None

**Q.8. What is the main production activity in Palampur village?**

(a) Farming                                     (b) Animal husbandry

 (c) Transport                    (d) Small-scale manufacturing

**Q.9. Multiple cropping means growing**

(a) only two crops                         (b) only three crops

(c) upto four crops          (d) more than one crop

**Q.10. Land under cultivation (in million hectares) in India in the year 2000 was**

(a) 120                                (b) 130

(c) 140                               (d) 150

**Q.11. Which area in India has a low level of irrigation?**

(a) Deccan plateau                        (b) Coastal regions

(c) Riverine plains           (d) Both (a) and (b)

**Q.12. Modern farming methods were tried in India for the first time in**

(a) Punjab (                                     b) Western U.P.

 (c) Haryana                      (d) All the above

**Q.13. Which of the following is a modern farming method?**

(a) Multiple cropping                    (b) Use of HYV seeds

(c) Use of chemical fertilisers      (d) Both (b) and (c)

**Q.14.**  **Production of pulses (in million tonnes) in India during 2000-01 was**

(a) 10                                               (b) 11

(c) 14                                 (d) 12

**Q.15.**  **Which one is a natural resource?**

(a) Labour                                       (b) Raw materials

 (c) Mineral                       (d) None of the above

**Q.16. High yielding variety seeds (HYV) were introduced to Indian farmers as a result of**

(a) White Revolution                    (b) Green Revolution

 (c) IT Revolution              (d) None of the above

**Q.17. Which Kharif crop is used for cattle feed?**

(a) Sugarcane                                 (b) Potato

 (c) Jowar and bajra         (d) Wheat

**Q.18. The activities such as small manufacturing, transport, shopkeeping are referred to as**

(a) Non-economic activities                                     (b) Non-farming activities

(c) Non-traditional activities                                    (d) Non-market activities

**Q.19. High Yielding Variety (HYV) seeds are developed in**

(a) Research institutes   (b) Factories

(c) Krishak Bharati Cooperatives               (d) None of the above

**Q.20. The concept of White Revolution is associated with**

(a) food crops                  (b) milk

(c) cotton                                                      (d) pesticides

**Q.21. Who is a person who puts together land, labour and capital?**

(a) Moneylender             (b) Entrepreneur

(c) Zamindar                                                 (d) Manager

**Q.22. A farmer who works on a piece of 1 hectare of land is treated as**

(a) Medium farmer         (b) small farmer

(c) large farmer                                           (d) none of the above

**Q.23**. **Scope of farming activity is limited in Palampur due to**

(a) Fixed amount of land                            (b) lack of irrigation

(c) lack of labour             (d) none of the above

**Q.24. What is done to surplus wheat in Palampur?**

(a) Sold in the market    (b) Destroyed

(c) Stocked by self                         (d) Given in charity

**Q.25. Consumption of chemical fertilisers is highest in which state of India?**

(a) Punjab (b) Haryana (c) Rajasthan (d) Himachal Pardesh

**Q.26. People of Palampur sell milk in the near by large village named:**

(a) Pitampura                                 (b) Siliguri

(c) Shahpur                                     (d) Raiganj

**Q.27. Out of the total cultivated areas in the country, how much area is irrigated today :**

(a) less than 40%                           (b) less than 30%

(c) less than 60%             (d) less than 70%

**Q.28. 'Operation Flood' is related to :**

(a) control flood                            (b) produce fish

 (c) milk production         (d) grain production

**Q.29. Green Revolution is related to :**

(a) Milk Production                       (b) Grain production

(c) Fish production         (d) none of these

**Q.30. Where do most of the small farmers borrow money to arrange for the capital in Palampur?**

(a) Banks                          (b) Co-operative Societies

(c) Village money lenders             (d) Friends and relatives

**Q.31. Which one among the following is not fixed capital?**

(a) Machines                    (b) Buildings

(c) Tools                                          (d) Raw materials

**Q.32. Why do the farmers of Palampur follow multiple cropping? Choose the correct answer.**

(a)          Because the water consumption is less in this method

(b)         Because this method consumes less chemical fertilisers

(c)          Because this method doesn't require fertile soils

(d)         Because this method is the most common way of increasing production

**Q.33. Which of the following transformed the system of irrigation in Palampur?**

(a) Tubewells                   (b) Persian wheel

 (c) Rainwater harvesting              (d) None of these

**Q.34.**  **How many families lives in Village Palampur?**

(a) 150                                             (b) 250

(c) 350                                             (d) 450

**Q.35.**  **Which one among the following is a non-farm activity?**

(a) Multiple croppping                 (b) Crop rotation

(c) Dairy farming                          (d) Modern farming

**Q.36. Which one of the following is not an effect of the modern farming?**

(a) Soil degradation                      (b) Deforestation

(c) Decrease in groundwater       (d) Water pollution

**Q.37. Marginal farmers are those :**

(a) who use modern methods for farming

(b) who practice crop rotation for farming

(c) who did not have sufficient land for farming

(d) who use modern methods of irrigation

**Q.38. Working capital stands for :**

(a) Tools, machines and buildings

(b) raw materials and money in hand

(c) total share capital

 (d) fixed deposits in financial institutions

**Q.39. Which is the most abundant factor of production in India?**

(a) Land                                           (b) Capital

 (c) Labour                                       (d) Tools and machines

**Q.40. Multiple Cropping refers to :**

(a) Cultivation of wheat and rice

(b) cultivation of two crops in alternate rows

(c) cultivating more than one crop on the same field each year

(d) cultivating crops and rearing animals on the same farm

**Key to MCQs**

**Ans.1**(a), **2**(a), **3**(a) , **4**(b), **5**(b),

**6**(c), **7**(b), **8**(a), **9**(d), **10**(c),

**11**(a), **12**(d),**13**(d),**14**(b),**15**

(c),**16**(b), **17**(c), **18**(b),  **19**(a), **20**(b),

**21**(b), **22**(b), **23**(a), **24**(a), **25**(a),

**26**(d), **27**(a),**28**(c),**29**(d),**30**(c),

**31**(d), **32**(d), **33**(a), **34**(c), **35**(c),

**36**(d), **37**(c), **38**(b), **39**(c), **40**(c)