



# ECONOMICS

STANDARD ELEVEN



The Coordination Committee formed by GR No. Abhyas - 2116/(Pra.Kra.43/16) SD - 4  
Dated 25.4.2016 has given approval to prescribe this textbook in its meeting held on  
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# ECONOMICS

## STANDARD ELEVEN



2019

**Maharashtra State Bureau of Textbook Production and  
Curriculum Research, Pune.**



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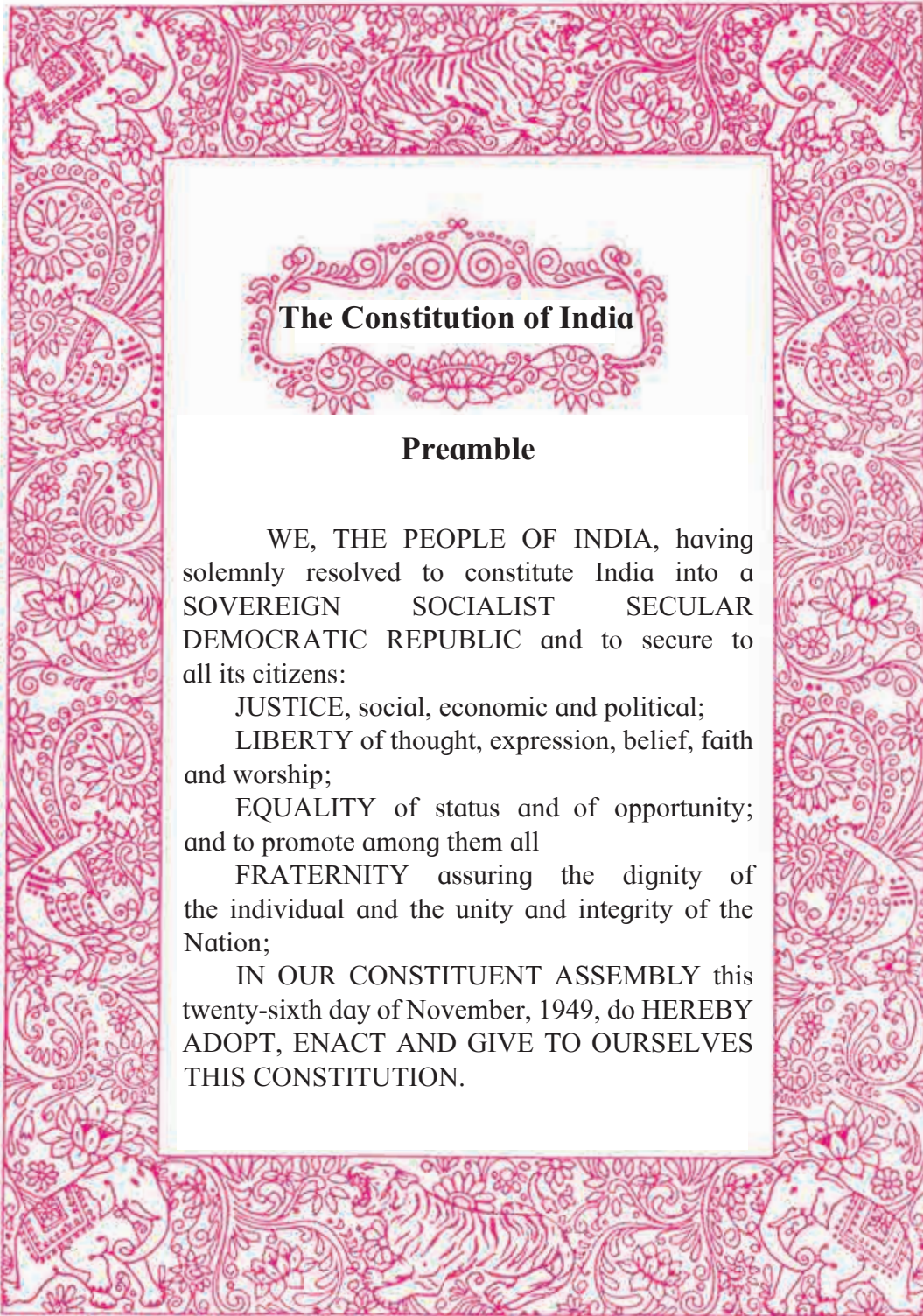
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## **The Constitution of India**

### **Preamble**

WE, THE PEOPLE OF INDIA, having solemnly resolved to constitute India into a SOVEREIGN SOCIALIST SECULAR DEMOCRATIC REPUBLIC and to secure to all its citizens:

JUSTICE, social, economic and political;

LIBERTY of thought, expression, belief, faith and worship;

EQUALITY of status and of opportunity; and to promote among them all

FRATERNITY assuring the dignity of the individual and the unity and integrity of the Nation;

IN OUR CONSTITUENT ASSEMBLY this twenty-sixth day of November, 1949, do HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.

## NATIONAL ANTHEM

Jana-gana-mana-adhināyaka jaya hē  
Bhārata-bhāgya-vidhātā,

Panjāba-Sindhu-Gujarāta-Marāthā  
Drāvida-Utkala-Banga

Vindhya-Himāchala-Yamunā-Gangā  
uchchala-jaladhi-taranga

Tava subha nāmē jāgē, tava subha āsisa māgē,  
gāhē tava jaya-gāthā,

Jana-gana-mangala-dāyaka jaya hē  
Bhārata-bhāgya-vidhātā,

Jaya hē, Jaya hē, Jaya hē,  
Jaya jaya jaya, jaya hē.

## PLEDGE

India is my country. All Indians  
are my brothers and sisters.

I love my country, and I am proud  
of its rich and varied heritage. I shall  
always strive to be worthy of it.

I shall give my parents, teachers  
and all elders respect, and treat  
everyone with courtesy.

To my country and my people,  
I pledge my devotion. In their  
well-being and prosperity alone lies  
my happiness.

## Preface

Dear Students,

We welcome you all to Std. XI. For the first time, you are being introduced to the subject of Economics as a separate discipline. You have already been acquainted with some of the concepts of Economics from Std. V onwards, especially in the subjects of Geography and Mathematics.

This textbook aims to create awareness about the dynamic changes taking place in Indian economy. The National Curriculum Framework (NCF) was formulated in 2005, followed by the State Curriculum Framework (SCF) in 2010. Based on the given two frameworks, restructuring of the curriculum and preparation of a revised syllabus has been undertaken which will be introduced from the academic year 2019-20. The textbook incorporating the revised syllabus has been prepared and designed by the Maharashtra State Bureau of Textbook Production and Curriculum Research, (Balbharati), Pune.

The textbook introduces 'Economics' as an independent subject for the students of Std. XI. This will enable the students to understand various economic concepts thoroughly and correlate them with their practical life. The new syllabus focusses on realistic approaches to solve real world problems. Economic concepts such as money, economic growth, economic development, economic reforms, economic planning, statistics etc, have been discussed in detail. Besides this, the textbook also throws light upon various challenges before Indian economy. General teaching-learning objectives of the revised syllabus are determined on the basis of the 'principle of constructivism'.

The curriculum and syllabus conforms to the maxims of teaching such as moving from concrete to abstract, known to unknown and from part to whole. For the first time, in the syllabus of Economics various activities have been introduced. These activities will not only help to develop the content knowledge but also provide scope for gaining relevant and additional knowledge. QR Code has also been introduced to facilitate e-learning. Besides this, ample scope has been provided for activity based learning, group learning, group discussions and self- learning processes.

No compromise is made in any manner over the use of language in the economic context, but at the same time, the textbook is presented in a very simple and lucid language too. Relevant diagrams, graphs, tables used in the textbook will bring about more clarity in the understanding of various terminologies and economic concepts. Glossary of economic terms and difficult words are also provided towards the end of the textbook. The efforts taken to prepare the textbook will not only enrich the learning experiences of the students, but also benefit other stakeholders such as teachers, parents as well as candidates appearing for the competitive examinations.

We look forward to a positive response from the teachers and students.

Our best wishes to all!



(Dr. Sunil Magar)  
**Director**

**Pune**

**Date : 20 June 2019**

**Indian Solar Date : 30 Jyestha 1941**

Maharashtra State Bureau of  
Textbook Production and  
Curriculum Research, Pune



## CLASS 11 ECONOMICS

| Competence Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Differentiate between Natural Sciences and Social Sciences</li> <li>• Recognize and appreciate the diversity of views of various Economists</li> <li>• Analyze the various definitions of Economics</li> <li>• Differentiate between micro economics and macro economics</li> <li>• Explain the basic concepts of micro economics and macro economics with realistic examples</li> </ul>                                                           |
| <ul style="list-style-type: none"> <li>• Explain the difficulties of barter system and justify the introduction of money</li> <li>• Explain the various definitions of money</li> <li>• Explain the different stages in the evolution of money</li> <li>• Describe the qualities of money</li> <li>• Explain the primary, secondary and contingent functions of money</li> <li>• Review measures to counter the problem of black money</li> </ul>                                           |
| <ul style="list-style-type: none"> <li>• Explain the meaning of Median, Quartiles, Deciles and Percentiles</li> <li>• Explain the need for partition values and assess its superiority over averages</li> <li>• Explain the use of partition values in economic data analysis</li> <li>• Apply their quantitative skills to derive quartiles, deciles and percentiles for individual series, ungrouped and grouped data</li> </ul>                                                          |
| <ul style="list-style-type: none"> <li>• Explain the structure of the economy of Maharashtra</li> <li>• Compare the features of Maharashtra economy with that of other states</li> <li>• Assess the performances of various sectors and their contribution to the state's economic development</li> <li>• Explain the problems of agricultural, industrial and service sectors in the State</li> <li>• Review recent policy measures undertaken by the Government of Maharashtra</li> </ul> |
| <ul style="list-style-type: none"> <li>• Explain the meaning, definition and significance of rural development</li> <li>• Explain the classification of agricultural credit on the basis of purpose and tenure</li> <li>• Differentiate between institutional and non-institutional sources of credit</li> <li>• Assess the role of various agricultural finance institutions</li> </ul>                                                                                                    |
| <ul style="list-style-type: none"> <li>• Explain the stages of population growth based on various census data</li> <li>• Explain the factors responsible for population explosion in India</li> <li>• Assess various policy measures to check population explosion</li> <li>• Explain the importance of human development</li> </ul>                                                                                                                                                        |
| <ul style="list-style-type: none"> <li>• Define the concept of unemployment</li> <li>• Explain the types of rural and urban unemployment</li> <li>• Explain the major causes of unemployment in India</li> <li>• Assess the various employment generation programmes</li> </ul>                                                                                                                                                                                                             |
| <ul style="list-style-type: none"> <li>• Explain multi-dimensional poverty</li> <li>• Differentiate between Absolute and Relative poverty</li> <li>• Explain Poverty line and its objectives</li> <li>• Explain rural poverty and urban poverty</li> <li>• Review the estimates of poverty</li> <li>• Explain the major causes of poverty</li> <li>• Assess the various poverty alleviation measures</li> </ul>                                                                             |
| <ul style="list-style-type: none"> <li>• Explain the objectives of the economic policy of 1991</li> <li>• Explain the terms liberalization, privatization and globalization</li> <li>• Explain the measures undertaken for liberalization, privatization and globalization</li> <li>• Evaluate the economic policy of 1991</li> </ul>                                                                                                                                                       |
| <ul style="list-style-type: none"> <li>• Explain the meaning and definitions of economic planning</li> <li>• Explain the features of economic planning</li> <li>• Assess the targets and achievements of various five year plans</li> <li>• Analyze the targets of the twelfth plan</li> <li>• Explain the functions of NITI Aayog</li> <li>• Compare the framework of the Planning Commission with that of NITI Aayog</li> </ul>                                                           |

## - For Teachers -

### Dear Teachers,

We are happy to introduce the revised textbook of Economics for Std. XI. This book is a sincere attempt to follow the maxims of teaching as well as develop a 'constructivist' approach to enhance the quality of learning. Demand for more activity based, experiential and innovative learning opportunities is the need of the hour. The present curriculum has been restructured so as to bridge the credibility gap that exists between what is taught and what students learn from direct experience in the outside world. Guidelines provided below will help to enrich the teaching-learning process and achieve the desired learning outcomes.

- ✓ To begin with, get familiar with the textbook yourself.
- ✓ The present book has been prepared for constructivist and activity-based teaching.
- ✓ Teachers must skillfully plan and organize the activities provided in each chapter to develop interest as well as to stimulate the thought process among the students.
- ✓ Always teach with proper planning.
- ✓ Use teaching aids as required for the proper understanding of the subject.
- ✓ Follow the tentative number of periods mentioned in the page of 'Contents' to give due justice to the topic.
- ✓ Follow the order of the chapters strictly as listed in the contents because the units are introduced in a graded manner to facilitate knowledge building.
- ✓ Statistics is placed as the third unit to facilitate integrative learning through interdisciplinary approach. Application of statistical knowledge will help students to understand the complex nature of various problems faced by Indian economy in the latter chapters.
- ✓ Ask questions on statistical information

related to trends and patterns. Efforts have been made to provide the latest data available. Teachers must explain to the students the importance of data collection and data analysis.

- ✓ Major concepts of economics have a scientific base and they deal with abstractions. Encourage group work, learning through each other's help etc. Facilitate peer learning as much as possible by reorganizing the class structure frequently.
  - ✓ Teaching-learning interactions, processes and participation of all students are very necessary and so is your active guidance.
  - ✓ Do not use the boxes titled '**Do you know?**' for evaluation. However, teachers must ensure that students read this extra information.
  - ✓ Information provided in boxes with the title '**You Should Know**' should be considered for evaluation.
  - ✓ Exercises provided after each unit are prepared using different parameters such as observation, co-relation, critical thinking, analytical reasoning etc. Evaluation pattern should be based on the given parameters. Equal weightage should be assigned to all the topics. Use different combinations of questions. Stereotype questions should be avoided.
  - ✓ Use QR Code given in the textbook. Keep checking the QR Code for updated information.
  - ✓ Certain important links, websites have been given for references. Teachers as well as the students can use these references for extra reading and in-depth understanding of the subject.
  - ✓ Economic terms included in the Glossary are highlighted in blue colour in each chapter.
  - ✓ List of abbreviations is provided towards the end of the textbook for further clarification.
- Best wishes for a wonderful teaching experience!



## *Contents*

| Sr. No. | Name of the Chapter                                                                                                                                             | Page No. | Tentative number of periods |
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**Front Page :** Students of standard ten have now come to standard eleven. They are going to study 'Economics' as an independent subject. The front cover is a visual presentation on the importance of Economics across all age groups. Visual images in this, represent the hierarchy of economic needs as per the age groups.

**Back Page :** Various economic activities.