

# 6<sup>th</sup> STD ECONOMY

## ECONOMICS –AN INTRODUCTION

### KEY POINTS:

- ❖ The producers of food grains are **Farmers**.
- ❖ The finished goods which are bought from the market to fulfill the daily needs of the people is called **Consumer goods**.
- ❖ The system of exchanging goods for other goods is called **Barter System**.
- ❖ The amount from the income which is left for future needs after consumption is called **Savings**.
- ❖ The permanent settlements of a group of people were called **Villages**.
- ❖ The early people mostly choose their settlements near **River** places.
- ❖ The major occupation of early people were mostly **Hunting**.
- ❖ The early people made their permanent settlements near rivers to **Cultivate Crops**.
- ❖ **Agriculture** remains to be the root of our economy even today.
- ❖ **Man** has no limits for his demand and desire.
- ❖ The people who involved in **Farming and Grazing** are called farmers or cultivators.
- ❖ When civilization started to grow, people considered **Agriculture** as their primary occupation.
- ❖ At present in this modern world **Agriculture and Industries** are helpful in the economic development of our country.
- ❖ The major occupation of early people other than hunting is **Farming and Gardening**.

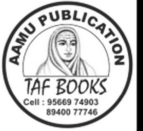
### TYPES OF ECONOMIC ACTIVITIES:

- ❖ Our country's economy is based on **Three Economic Activities** namely
  - 1) **Primary Activities**
  - 2) **Secondary Activities**
  - 3) **Tertiary Activities**



### PRIMARY ACTIVITIES:

- ❖ The **Primary Activities** are concerned with the production of raw materials for food stuff and industrial use.
- ❖ The Primary Activities includes
  - 1) **Agriculture,**
  - 2) **Cattle Rearing,**
  - 3) **Fishing,**
  - 4) **Mining,**
  - 5) **Collection of Fruits, Nuts, Honey, Rubber, Resin and Medicinal Herbs, Lumbering.**
- ❖ **Agriculture** is the primary occupation of Villages.
- ❖ **Sugarcane** is the raw material for Sugar Producing Mills.
- ❖ **Agriculture** is the backbone of our Indian economy.
- ❖ “Villages are the Backbone of Our Country”-quote said by **Gandhiji**
- ❖ More than 50 percentages of the world's populations live in **Cities**.
- ❖ In Tamilnadu, around 47percentage of the people are in **Cities**.



- ❖ **Primary activities** are village centered activities.
- ❖ Mostly **secondary and tertiary activities** are city centered activities.
- ❖ People involved in small scale industries and unorganized sector are mostly found in cities.
- ❖ **Employment opportunities** are more in cities than villages

### **SECONDARY ACTIVITIES:**

- ❖ Transforming of the raw materials obtained from the primary activities into finished products through machinery on a large scale is considered as **Secondary activities**.
- ❖ **Industries** are classified on the basis of the availability of raw materials, capital and ownership.
- ❖ On the basis of raw materials ,industries are classified as
 

1) Agro based industries	3) Mineral based industries
2) Forest based industries	4) Marine based industries.
- ❖ Agro based industries includes **Cotton textiles, Sugar mills and Food processing**.
- ❖ Forest based industries includes **Paper mills, Furniture making, Building Materials**.
- ❖ Mineral based industries include **Cement, Iron and Aluminium Industries**.
- ❖ Marine based industries include **Seafood processing**.
- ❖ The supporting factors of trading include **Well Paved Roads, Ports, Airports and Railway Stations**.
- ❖ **Banks** help in the circulation of money and boost the country's economy.
- ❖ **Industries** produce goods and distribute them to the people.

### **TERTIARY SECTOR:**

- ❖ **Tertiary sector** is also called as Service sectors.
- ❖ The **Service sector** serves the people to fulfil their daily needs.
- ❖ The Tertiary activities or Service sectors includes
 

1) Transport,	4) Insurance and
2) Communication,	5) Banking.
3) Trade,	
- ❖ The modes of transport in tertiary Sector include **Roadways, Railways, Waterways, and Airways**.
- ❖ The modes of communication in Tertiary Sector include **Post, Telephone, and Information Technology etc**.
- ❖ Trading includes **Procurement of goods and selling**.
- ❖ Activities of banking include **Money transactions and Banking services**.
- ❖ Lumbering is a **Primary** occupation.
- ❖ Oil refinery comes under **Secondary Activities**.
- ❖ Oil well comes under **Primary Activities**.
- ❖ Grocery stores comes Under **Tertiary Activities or Service sectors**.
- ❖ Collection of honey is a **Primary** occupation.
- ❖ Agriculture is a **Primary** occupation.
- ❖ The conversion of raw materials into finished goods is called **Secondary Activities**.
- ❖ According to Gandhiji the villages are **backbone** of the nation.
- ❖ The percentage of population in the cities of Tamil Nadu is **47%**.
- ❖ Economic activities are divided on the basis of **use**.
- ❖ Sugarcane Industries comes under **Secondary activities**.
- ❖ Dairy farming is a **Co-operative Sector**

