

Short Answer Questions

Q.1. What is fixed capital?

Ans. (i) Tools and machines range from very simple tools such as a farmer's plough to sophisticated machines such as generators, turbines, computers, etc.

(ii) They can be used in production over many years and are called fixed capital.

Q.2. How were higher yields of wheat and rice were possible?

Ans. Higher yields of wheat and rice were possible only from a combination of HYV seeds, irrigation, chemical fertilizers, pesticides, etc.

Q.3. How do chemical fertilizers affect the soil?

Ans. (i) Chemical fertilizers provide minerals which dissolve in water and are immediately available to plants.

(ii) But these may not be retained in the soil for long.

(iii) They may escape from the soil and pollute groundwater, rivers and lakes.

Q.4. From where small farmers borrow money?

Ans. Small farmers either borrow 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 which makes it difficult for them to repay.

Q.5. Name the main and other activities of the village of Palampur.

Ans. Farming is the main activity in Palampur. Other activities are small-scale manufacturing, dairy, transport, etc. They also have small shops selling a wide range of items like rice, wheat, sugar, tea, oil, biscuits, soaps, etc.

Q.6. What all facilities are available in the village?

Ans. Most of the houses have electric connections. Electricity is used to run tubewells in fields and for many other purposes. Palampur has two primary schools and one high school. There is a primary health centre run by the government and one private dispensary where the sick are treated. It also has a well-developed system of roads and transport facilities.

Q.7. What are the main factors for production of goods and services?

Ans. (i) The first requirement is land and other natural resources like water, forests, minerals, etc.

(ii) The second requirement is labour, i.e., the people who will do the work. Some activities require educated workers to perform the necessary task and other activities require workers who can do manual work.

(iii) The third requirement is physical capital, i.e., the variety of inputs required at every stage during production. It includes fixed capital and working capital.

(iv) The fourth requirement is knowledge and entrepreneurship.

Q.8. State the various ways of growing more crop from the same land by the people of Palampur.

Ans. To grow more than one crop on a piece of land during the year:

(i) Modern farming methods like HYV seeds, pesticides, chemical fertilizers, etc. were used.

(ii) Green Revolution in the late 1960s introduced to the farmers, the cultivation of wheat and rice by using high yielding variety seeds.

Q.9. What is the 'multiple cropping' system?

Ans. Multiple cropping is the most common way of increasing production on a given piece of land. When more than one crop is grown on a piece of land during the year, it is known as multiple cropping system. All the farmers in Palampur grow at least two main crops and grow potatoes as their third crop.

Q.10. State the main reasons why farmers are able to grow three different crops in a year in Palampur.

Ans. The main reasons are:

(i) A well-developed system of irrigation.

(ii) Electricity came early to Palampur. It was perceived to help in transforming the system of irrigation as the earlier Persian wheels, till then, were used to draw water from wells to irrigate small fields.

(iii) People noticed that electric-run tubewells could irrigate much large areas of land more effectively.

Q.11. What do you understand by the term 'Green Revolution'?

Ans. The 'Green Revolution' was introduced in India, in the late 1960s. Indian farmers used it for the production of major food crops like wheat and rice. They made use of the High Yielding Variety seeds, which produced much greater yield than the traditional seeds. However, they needed plenty of water, chemical fertilizers and pesticides to produce best results.

Q.12. What are the harmful effects of chemical fertilizers?

Ans. Chemical fertilizers provide minerals which dissolve in water and are immediately available to plants. But they may escape from the soil and pollute the groundwater, rivers and lakes. Chemical fertilizers can also kill bacteria and other micro-organisms in the soil. It means sometimes, after their use, the soil will be less fertile than ever before. So, continuous use of chemical fertilizers has led to the degradation of the soil's health.

Q.13. How did the spread of electricity help farmers in Palampur?

Ans. (i) Electricity enabled the use of tubewells, which improved the system of irrigation, leading to more yield, more income and further investment.

(ii) Shops, sugarcane machines, small-scale industries and computer centres were introduced by the farmers to get supplement income.

Q.14. Is it important to increase the area under irrigation and why?

Ans. More area under irrigation would lead to more yield or production to fulfil the needs of the population. More yield would fetch more income to the farmers. It would provide more employment opportunities for them. Their supplement income can provide them more capital for further investment in non-farm activities also.

Q.15. Describe the work of a farmer with 1 hectare of land or small holding.

Ans. The farmer with a small land of 1 hectare needs less capital to prepare his land. He uses traditional seeds, animals to plough, less labour, no machines, less chemical fertilizers or manure. He does irrigation manually and is helped by his family members to do the work of harvesting. The production from 1 hectare of his land is consumed by his family.

Q.16. What can be done by the government to start more non-farm activities in the villages to improve the farmers' conditions?

Ans. (i) The government should provide capital to the villagers for starting new business like shops, dairy farming, transport, etc.

(ii) Banks should be set up in the villages to provide loans to the farmers at low interest rates.

(iii) People should be made literate so that they are qualified to start a new business like computer training courses in computer centres.

Q.17. Differentiate between physical and human capital.

Ans. Difference between physical and human capital are given below:

	Physical Capital		Human Capital
1.	Tangible can be sold in the market.	1.	Intangible, built in the body and mind of its owner.
2.	Can be separated from the owner.	2.	Inseparable can't be sold anywhere but only services can be sold.
3.	Mobile between countries if trade restrictions followed.	3.	Hardly mobile restricted by nationality.
4.	Can be built only through imports and creates only private benefits.	4.	It depends on a person's choice whether he/she wants to raise the earnings or not. It creates both private and social benefits.

Q.18. Explain the types of activities necessary for production.

Ans. (i) Farming is the main activity for the production and sale of crops.

(ii) Non-farm activities include small-scale manufacturing, transport, shopkeeping, dairy farms, etc. These activities help in other productions needed in a village.

(iii) There are people who do cattle-rearing to provide milk and get surplus income for their families.

Q.19. What means of transportation are used in the village of Palampur?

Ans. Many kinds of transport are used by the people in the village of Palampur. They use bullock carts, tongas, rickshaws, bogeys, etc. They are also used for loading jaggery and other commodities to their neighbouring farms like Raiganj. Motor vehicles like motorcycles, jeeps, tractors and

trucks, etc. are used to transport people and surplus crops to sell it to their neighbouring villages.

Q.20. What kind of people live in the village Palampur?

Ans. This village has about 450 families belonging to several different castes. The 80 upper caste families own the majority of land in the village. Their houses, some of them quite large, are made of brick with cement plastering. The SCs (dalits) comprise one-third of the population and live in one corner of the village and in much smaller homes, some of which are of mud and straw.

Q.21. How surplus farm products is sold by the farmers?

Ans. Let us assume that farmers have produced wheat on their land. They retain a part of the wheat for the family consumption and sell the surplus wheat. Small farmers like Savita have little surplus wheat because their total production is small and from this a substantial share is kept for their own family needs. The medium and large farmers supply wheat to the market which the traders buy and sell it further to shopkeepers in the towns and cities.