

Slide No.1

CLASS IX, ECONOMICS, CHAPTER-1 THE STORY OF VILLAGE PALAMPUR

Topics to be discussed

- About the Village- Palampur
- Four Factors of Production
- Farming in Palampur
- Ways to increase crops
- Difference between Multiple Cropping and Modern Farming Method
- Sustenance of Land
- Land Distribution in Palampur
- Who will provide the labour?
- The capital needed in farming

Slide No.2

About the Village- Palampur

- Palampur is a hypothetical village.
- This story is based on the research study by Gilbert Etienne.
- This story of Palampur is set in Bulandshahr district of U.P.
- This village has fairly well-developed system of roads, transport, electricity, irrigation, schools and health centre.
- Through this story we are going to study some basic concepts of production.
- The main production activity of the people in this village is farming.
- The other production activities (non farm activities) include small manufacturing, transport, shop-keeping, etc.

Four Factors of Production

- The main purpose of production is to produce the goods and services of that people want to buy by paying money.
- The for four factors of production are **land, labour, capital and organisation.**
- The **first requirement** of production is **land** – water, minerals, forests, etc.
- The **second requirement** of production **labour** – skilled and unskilled work.
- The **third requirement** of production is **physical capital**:
 - (a) Tools, machines, buildings, ploughs, generators, turbines, computers, etc can be used in production over many years, and so are called **fixed capital**.
 - (b) Raw materials and money in hand are called **working capital**.
 - The **fourth requirement** of production is **organisation/human capital**, i.e. knowledge and enterprise to put land, labour and physical capital together and produce an output either to use yourself or to sell in the market.

Farming in Palampur

- The standard unit of measuring land is **hectare** and local units are **bigha**, **guintha**.
- One hectare is equal to the area of a square with one side measuring 100 metres.
- **Persian wheels:** These wheels were once used by farmers to draw water from the wells and irrigate small fields.
- **Traditional seeds** need less irrigation. Farmers use cow-dung and other natural manure as fertilizers. But it gives low yield.
- Land is fixed. All land in Palampur is cultivated and there is no land is left idle.
- There is no scope to increase farm production in Palampur by bringing new land under cultivation.
- **In such a condition if there is any way to grow more crops from the same land?**
- **Kharif crops:** Farmers grow crops like jowar and bajra during the rainy season.
- **Rabi crops:** Farmers sow seeds in the fields and grow crops in the winter season. Example wheat.
- Farmers also grow crops like potato between October and December.

Other ways to increase crops

- What are the other ways of increasing crops?
 - Use of modern farming methods.
 - Electrification of irrigation system in Palampur which helped to grow more crops.
 - Introduction of the Green Revolution.
 - Introduction of high yielding varieties of seeds (HYVs) to the farmers has also helped to increase wheat and rice production.
 - Use of chemical fertilizers, pesticides, etc have also helped to produce good crops.
 - Farmers of Punjab, Haryana and Western Uttar Pradesh were the first to try out the modern farming method in India.
- Higher yields were possible only with the use of HYV seeds, irrigation, chemical fertilisers, pesticides, farm machinery, etc.

Difference between Multiple Cropping and Modern Farming Method

1. What is the difference between multiple cropping and modern farming method?

Multiple cropping: Growing more than one crop on a piece of land during the year is known as multiple cropping.

Modern farming method: Modern farming method means the use of HYV seeds, tube wells for irrigation, chemical fertilisers, pesticides, machineries like tractors and threshers to increase the agricultural production.

2. What is the working capital required by the farmer using modern farming methods?

The working capital required by the farmer using modern farming methods are raw materials like HYV seeds, chemical fertilisers, pesticides, etc and money to buy other items like diesel.

3. Modern farming methods require the farmer to start with more cash than before. Why?

For buying inputs like HYV seeds, chemical fertilisers, pesticides, machineries, etc a farmer needs to have more cash than before.

Sustenance of Land

- Land is a natural resource, it should be handled very carefully.
- For raising production , a great deal of pressure has been put on the land.
- Soil fertility has gone down due to the overuse of chemicals and fertilizers.
- The chemical fertilisers will kill the bacteria and micro-organisms present in the soil.
- Continuous use of groundwater from tubewell for irrigation has reduced the water -table below the ground.
- Chemical fertilizers pollute groundwater, rivers and lakes.
- Now in Punjab farmers are forced to use more and more chemical fertilizers and other inputs to achieve the same production level. This means cost of cultivation is rising.

Slide No.8

Land Distribution in Palampur

- 150/450 families are landless, and most of them are dalits.
- 240/450 families cultivate small plots of land less than 2 hectares. The income from this land does not support the farmer's family.
- 60/450 families are medium and large farmers who cultivate more than 2 hectares of land. A few of the large farmers have land extending over 10 hectares or more.
- **Who will provide the labour?**
 - Landless families or farmers of small plots of land work for medium and large farmers.
 - Labourers do not have any right over the crops grown on the land.
 - Labourer are employed on a daily basis.
 - The minimum wages for a farm labourer set by the government is Rs115 (April, 2011) but the labourers get only Rs 80
 - Because of heavy competition, people like Dala and Ramkali have to work for lower wages also.
 - Villagers from Bihar migrate to Punjab, Haryana, Delhi, Mumbai, etc. for better job and wage.

Slide No.9

The capital needed in farming

- Modern farming methods require a great deal of capital, as a result the farmer needs more cash than before.
- Small farmers like Savita borrow money from the large farmers like Tejpal Singh or moneylenders or traders and thus they fall into debt trap.
- Small farmers like Savita and Gobind's sons have little surplus wheat to sell in the market and thus earn less whereas large farmers like Tejpal Singh have more surplus wheat thus they earn more profit. This extra earning they spend for buying capital for the next season.

Recapitulation

- What is the main activity in the village of Palampur?
- What are the non farming activities carried out in Palampur?
- What are the factors of production?
- Which capital is known as working capital?
- What does HYVS stand for?
- Highlight five differences between traditional and modern methods of farming.