

SYLLABUS OF GRADE XII

ECONOMICS

Rationale

Economics is one of the social sciences, which has great influence on every human being. As economic life and the economy go through changes, the need to ground education in children's own experience becomes essential. While doing so, it is imperative to provide them opportunities to acquire analytical skills to observe and understand the economic realities.

At senior secondary stage, the learners are in a position to understand abstract ideas, exercise the power of thinking and to develop their own perception. It is at this stage, the learners are exposed to the rigour of the discipline of economics in a systematic way.

The economics courses are introduced in such a way that in the initial stage, the learners are introduced to the economic realities that the nation is facing today along with some basic statistical tools to understand these broader economic realities. In the later stage, the learners are introduced to economics as a theory of abstraction.

The economics courses also contain many projects and activities. These will provide opportunities for the learners to explore various economic issues both from their day-to-day life and also from issues, which are broader and invisible in nature. The academic skills that they learn in these courses would help to develop the projects and activities. The syllabus is also expected to provide opportunities to use information and communication technologies to facilitate their learning process.

Objectives:

- Understanding of some basic economic concepts and development of economic reasoning which the learners can apply in their day-to-day life as citizens, workers and consumers.
- Realisation of learners' role in nation building and sensitivity to the economic issues that the nation is facing today.
- Equipment with basic tools of economics and statistics to analyse economic issues. This is pertinent for even those who may not pursue this course beyond senior secondary stage.
- Development of understanding that there can be more than one view on any economic issue and necessary skills to argue logically with reasoning.

ECONOMICS CLASS XII

Time: 3 Hrs.

M.M: 80 Marks
Projects: 20 Marks

Units		Marks	Periods
Part A	Introduction Macroeconomics		
	National Income and Related Aggregates	10	28
	Money and Banking	6	15
	Determination of Income and Employment	12	27
	Government Budget and the Economy	6	15
	Balance of Payments	6	15
	Total	40	100
Part B	Indian Economic Development		
	Development Experience (1947-90) and Economic reforms 1991	12	28
	Current challenges facing Indian economy	22	60
	Development experience of India- A comparison with neighbors	06	12
	Theory Paper (40+40=80 Marks)	40	100
Part C	Project Work		

PART A: INTRODUCTORY MACROECONOMICS UNIT 1: NATIONAL INCOME & RELATED AGGREGATES (28 Periods)

What is Macroeconomics?

Basic concepts in macroeconomics: consumption goods, capital goods, final goods, intermediate goods; stocks and flows; gross investment and depreciation. Circular flow of income (two sector model); Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method. Aggregates related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP) and Net Domestic Product (NDP) - at market price, at factor cost; Real and Nominal GDP. GDP and Welfare

UNIT 2: MONEY AND BANKING: (15 Periods)

Money - meaning and supply of money - Currency held by the public and net demand deposits held by commercial banks. Money creation by the commercial banking system. Central bank and its functions (example of the Reserve Bank of India): Bank of issue, Govt. Bank, Banker's Bank, Control of Credit through Bank Rate, CRR, SLR, Repo Rate and Reverse Repo Rate, Open Market Operations, Margin requirement.

UNIT 3: DETERMINATION OF INCOME & EMPLOYMENT:

(27 Periods)

Aggregate demand and its components. Propensity to consume and propensity to save (average and marginal). Short-run equilibrium output; investment multiplier and its mechanism. Meaning of full employment and involuntary unemployment. Problems of excess demand and deficient demand; measures to correct them - changes in government spending, taxes and money supply.

UNIT 4: GOVERNMENT BUDGET AND THE ECONOMY:

(15 Periods)

Government budget - meaning, objectives and components. Classification of receipts - revenue receipts and capital receipts; classification of expenditure - revenue expenditure and capital expenditure. Measures of government deficit - revenue deficit, fiscal deficit, primary deficit their meaning.

UNIT 5: BALANCE OF PAYMENTS:

(15 Periods)

Balance of payments account - meaning and components; balance of payments deficit meaning. Foreign exchange rate - meaning of fixed and flexible rates and managed floating. Determination of exchange rate in a free market.

PART B: INDIAN ECONOMIC DEVELOPMENT

UNIT 6: DEVELOPMENT EXPERIENCE (1947-90) & ECONOMIC REFORMS SINCE 1991:

(28 Periods)

A brief introduction of the state of Indian economy on the eve of independence. Indian economic system and common goals of Five Year Plans. Main features, problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI - role & importance) and foreign trade.

Economic Reforms since 1991:

Features and appraisals of liberalisation, globalisation and privatisation (LPG policy);
Concepts of demonetization and GST

UNIT 7: CURRENT CHALLENGES FACING INDIAN ECONOMY:

(60 Periods)

Poverty- absolute and relative; Main programmes for poverty alleviation: A critical assessment;

Human Capital Formation: How people become resource; Role of human capital in economic development; Growth of Education Sector in India

Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; alternative farming - organic farming

Employment: Growth and changes in work force participation rate in formal and informal sectors; problems and policies

Infrastructure: Meaning and Types: Case Studies: Energy and Health: Problems and Policies- A critical assessment;

Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming

UNIT 8: DEVELOPMENT EXPERIENCE OF INDIA:

(12 Periods)

A comparison with neighbours

India and Pakistan

India and China

Issues: economic growth, population, sectoral development and other Human Development Indicators

PART C: PROJECT IN ECONOMICS

(20 Periods)

SUGGESTED QUESTION PAPER DESIGN
ECONOMICS
CLASS XII

Time: 3 hrs.

M.M: 80

S.No.	Typology of questions	Marks	Percentage
1	Remembering and Understanding: Exhibit memory of previously learned material by recalling facts, terms, basic concepts, and answers. Demonstrate understanding of facts and ideas by organizing, comparing, translating, interpreting, giving descriptions, and stating main ideas.	44	55%
2	Applying: Solve problems to new situations by applying acquired knowledge, facts, techniques and rules in a different way.	19	23.75%
3	Analysing, Evaluating and Creating: Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalizations. Present and defend opinions by making judgments about information, validity of ideas, or quality of work based on a set of criteria. Compile information together in a different way by combining elements in a new pattern or proposing alternative solutions.	17	21.25%
	Total	80	100%