

CHAPTER -2-PEOPLE AS RESOURCES

ECONOMICS CLASS-IX

Human Resources:

People who are part of the workforce are called human resource. By contributing in productivity, the human resource plays a significant role in the economy of a country. Any other resource becomes useful only because of the input by the human resource.

Investment in human capital yields a return like investment in other resources. Investment in human capital is done through education, training and healthcare. A person with better education usually earns better than an uneducated person. Moreover, a healthy person is more productive than an unhealthy person.

Educated parents understand the value of education and hence invest in their child's education to secure a better future for the child. Educated parents also take extra care of the health and nutrition of their child. This creates a virtuous cycle of creating a better human capital.

Uneducated parents are unable to invest on education and healthcare of their children. This creates a vicious cycle in which the coming generation is often forced to remain poor.

Economic Activities

Economic activities can be categorized into three types, viz. primary, secondary and tertiary activities.

Primary Activities: Economic activities which are related to agriculture, poultry farming, fishing, horticulture, animal husbandry, mining, quarrying, etc. are called primary activities. Natural resources are just extracted (with little or no modification) in primary activities.

Secondary Activities: Manufacturing is called secondary activity. Natural resources are properly modified in secondary activity.

Tertiary Activities: Economic activities which support the primary and secondary activities are called tertiary activities. Banking, transport, finance and different types of services come under tertiary activities.

On the basis of production goal, economic activities are also divided into two types, viz. market activities and non-market activities.

Market Activities: When some product or service is produced to be sold in the market, it is called market activity.

Non-market Activities: When some product or service is produced for self consumption, it is called non-market activity. If a farmer produces just enough to meet his family needs, then his activity is a non-market activity. Similarly, the work of a housewife is a non-market activity; because she is working for the benefit of her family members.

QUALITY OF POPULATION

Literacy rate, health and skills determine the quality of a population. Illiterate and unhealthy population can be a liability for the economy. Literate and healthy population can be made into an asset for the economy. Literate and healthy population contributes towards GDP of a country.

Education

Education enhances the literacy level and skill level of a person. It also helps in enriching the culture of the society. Presence of educated persons in the society indirectly benefits the illiterate persons as well.

Government has taken various steps to spread education among the people. Government strives to provide universal access to education. It also makes various plans to increase the retention of students. Special emphasis is given on girl's education.

The plan outlay on education in the first plan was Rs. 151 crore. It has increased to Rs. 43,825 crore in the tenth plan. The expenditure on education was 0.64% of the GDP in 1950-51 and has increased to 3.98% of the GDP in 2002-03.

Due to constant efforts, the literacy rate has grown from 18% in 1951 to more than 70% in 2011. Literacy rate is higher among males compared to among females. Kerala is a state with more than 90% literacy, while some states have a very low literacy level.

Government has recently launched Sarva Siksha Abhiyan to spread education to remotest parts of the country. Under this programme, all children under 6 to 14 years of age are given elementary education.

Government also provides Mid-Day Meal in government schools so that children of poor people can attend the school. Mid-day Meal has helped many children from the poor family to attend school.

The Tenth Plan has focused on increasing the enrolment in higher education from 6% to 9%. The strategy is to increase access, quality and adoption of state-specific curriculum to motivate enrolment in higher education. Vocational courses are also offered and use of Information Technology is being maximized to attain the goal. The Tenth Plan also focuses on distant education, convergence of formal, non-formal and IT education.

Institutions of Higher Education, Enrolment and Faculty

Year	No. of colleges	No. of universities	No. of students	No. of teachers
1950-51	750	30	263,000	24,000
1990-91	7,346	177	4,925,000	272,000
1996-97	9,703	214	6,755,000	321,000
1998-99	11,089	238	7,417,000	342,000

SOURCE: UGC annual report 1996-97 and 1998-99 and selected educational statistics, Ministry of HRD