

Chapter 10

21. Define Rural Economy.

- ✧ Rural areas are geographical areas located outside towns and cities.
- ✧ Rural economy refers to villages, and rural community refers to people living in villages.

22. What do you mean by Rural Development?

- Rural Development is a strategy designed to improve the economic and social life of a specific group of people - rural poor'.
- In short, rural development is a process of improving the rural areas, rural people and rural living.

23. Rural Poverty – Define.

Poverty in India has been defined as the situation in which an individual fails to earn sufficient income to buy the basic minimum of subsistence.

24. Define Open Unemployment.

1. In **Open Unemployment**, unemployed **persons** are identified as **they remain without work**.
2. This type of unemployment is found among **agricultural labours**.

25. What is meant by Disguised Unemployment?

In Rural areas, many are **employed below their productive capacity** and even if they are withdrawn from work the output will not diminish. It is called Unemployment

26. Define Cottage Industry.

Cottage industries are generally associated with agriculture and provide both part- time and full-time jobs in rural areas. Examples: Pottery, Basket Weaving, Coir products and etc.,

27. What do you mean by Micro Finance?

Micro finance, also known as micro credit, is a financial service that offers loans, savings and insurance to entrepreneurs and small business owners who do not have access to traditional sources of capital, like banks or investors.

28. State any two causes of housing problem in rural areas.

- Rapid adaptation of nuclear families
- Lack of proper water supply
- Lack of good sanitation and
- Lack of proper disposal of sewage

29. Define Rural Electrification.

The main aims of rural electrification are to provide electricity to agricultural operations and to enhance agricultural productivity,

30. State any two factors hindering Rural Electrification in India.

1. Lack of Funds
2. Inter-state Disputes
3. Uneven Terrain
4. High Transmission Loss

III. Short Answer Questions:

31. State the importance of Rural Development.

1. A major share of population contributions are very much supportive for the nation building activities.
2. The rural economy supports the urban sectors
3. Improvements in education, health and sanitation in villages can help avoid many urban problems
4. providing gainful employment in rural areas and improving overall food production.
5. rural-urban migration can be reduced

32. Explain the causes for rural development.

- ❖ The distribution of land is highly skewed in rural areas.
- ❖ Non-farm employment opportunities do not match the increasing labour force.
- ❖ Lack of public sector investment on human resource development.
- ❖ Steady increase in prices affects the purchasing power
- ❖ Low productivity of rural labour

33. Enumerate the remedial measures to Rural Poverty.

- (i) Creation of employment opportunities.
- (ii) To help the poor to become more productive.
- (iii) Necessary changes in the economic structure as well as occupational structure.
- (iv) Control the unproductive expenditures by villagers.
- (v) Effective implementation of assets.

34. What are the remedial measures for Rural Unemployment?

1. To reduce the seasonal unemployment rural people should be encouraged to adopt subsidiary occupations.
2. Rural Works Programme such as construction and maintenance of roads, digging of drains, canals, etc
3. The increased cropping intensity creates additional demand for labour.
4. To provide employment new industries should be set up in rural areas.

35. Write a note on Regional Rural Banks.

1. Regional Rural Banks came into existence in 1975.
2. At present, there are 64 Regional Rural Banks in India.
3. To develop rural economy by providing credit and,
4. Other facilities particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs

36. Mention the features of SHGs.

1. SHG is generally an economically homogeneous group formed through a process of self-selection based upon the affinity of its members.
2. Most SHGs are women's groups with membership ranging between 10 and 20.
3. SHGs have well-defined rules and by-laws, hold regular meetings and maintain records and savings and credit discipline.
4. SHGs are self-managed institutions characterized by participatory and collective decision making.

37. List out the objectives of MUDRA Bank.

1. Regulate the lender and the borrower of microfinance
2. bring stability to the microfinance system .
3. lend money to small businesses, retailers, self-help groups and individuals.
4. introduce a system of performance rating and accreditation for the first time.

IV. Long Answer Questions:

38. The features of Rural Economy are peculiar? - Argue.

Meaning

Rural economy refers to villages, and rural community refers to people living in villages. **Village is an Institution:** The Village is a primary institution and it satisfies almost all the needs of the rural community.

1. Dependence on Agriculture: The rural economy depends much on nature and agricultural activities.

3. Life of Rural People: Lifestyles in villages are very simple.



Public services like education, housing, health and sanitation, transport and communication, banking, roads and markets are limited and unavailable.

- 4. Population Density:** Population density, measured by number of persons living per sq. km is very low and houses are scattered in the entire villages.
- 5. Employment:** Exists unemployment, seasonal unemployment and underemployment in rural areas.
- 6. Poverty:** About 22 crores of people in rural areas are poor and live below the poverty line.

39. Discuss the problems of Rural Economy.

1. The problems related to individuals and their standard of living consist of illiteracy etc.,
2. Agricultural problems as 1. Lack of expected awareness, knowledge, skill and attitude, Unavailability of inputs and so on.
3. Poor infrastructure facilities like, water, electricity, transport, educational institutions, communication, health and etc.,
4. The economic problems related to rural areas are: inability to adopt high cost technology, high cost of inputs and so on.
5. Leadership among the hands of inactive and incompetent people, self-interest of leaders.

40. Analyse the causes for Rural Indebtedness.

Meaning

Rural indebtedness refers to the **situation of the rural people unable to repay the loan** accumulated over a period.

1. Poverty of Farmers:

The vicious circle of poverty forces the farmers to borrow for consumption, cultivation and celebrations. Thus, poverty, debt and high rates of interest hold the farmer in the grip of money lenders.

2. Failure of Monsoon:

Frequent failure of monsoon is a curse to the farmers and they have to suffer due to the failure of nature. Therefore, farmers find it difficult to identify good years to repay their debts.

3. Litigation:

Due to land disputes litigation in the court compels them to borrow heavily. Being uneducated and ignorant they are caught in the litigation process and dry away their savings and resources.

4. Money Lenders and High Rate of Interest:

The rate of interest charged by the local money lenders is very high and the compounding of interest leads to perpetuate indebtedness of the farmer.

Chapter 11

II. Very Short Answer Questions:

21. State any two districts with favorable sex ratio. Indicate the ratios.

S.No	District	Sex Ratio (No. of Females per 1000 Males)
1	The Nilgiris	1041
2	Thanjavur	1031
3	Nagapattinam	1025
4	Tirunelveli	1024
5	Thoothukkudi	1024
Source : Census of India, 2011		

22. Define GSDP.

1. The Gross State Domestic Product refers to the total money value of all the goods and services produced annually in the State.
2. Tamil Nadu is the second largest economy (GSDP) in India