

CHAPTER- 8

A SHIRT IN THE MARKET

EXCECISES:

1. Did Swapna get a fair price on the cotton?

Answer: No. Swapna did not get a fair price on the cotton. The local trader paid her low price.

2. Why did the trader pay Swapna a low price?

Answer: The trader had lent Swapna money at the beginning of the cropping season on a condition that she would sell all her cotton to him. Thus, Swapna was in his grip. The trader took advantage of this situation and paid her a low price.

3. Where do you think large farmers would sell their cotton? How is their situation different from Swapna?

Answer: Large farmers would sell their cotton in the market. Their situation is different from Swapna. Unlike Swapna, they grew cotton on their own and therefore they are free to sell them anywhere they wish.

4. What are the following people doing at the Erode cloth market—merchants, weavers, exporters?

Answer: Merchants. They supply cloth on order to garment manufacturers and exporters around the country. They purchase the yam and give instructions to the weavers about the kind of cloth that is to be made.

Weavers. They make cloth and bring this to the Erode cloth market for sale. They also make cloth on order from the merchant.

Exporters. They use the cloth to make shirts to export them to foreign buyers.

5. In what ways are weavers dependent on cloth merchants?

Answer: Weavers are dependent on cloth merchants for raw materials and markets.

6. If the weavers were to buy yam on their own and sell cloth, they would probably earn three times more. Do you think this is possible? How? Discuss.

Answer: In such a situation the weavers would definitely earn more. They would

buy yam at the lowest possible price and would sell cloth at the highest possible price. They would select the market of their choice for better price.

7. You might have heard of cooperatives in your area. It could be in milk, provisions, paddy, etc. Find out for whose benefit they were set up?

Answer: They were set up for the benefit of those who were in want of capital.

8. What are the demands foreign buyers make on the garment exporters? Why do the garment exporters agree to these demands?

Answer: They demand the lowest prices from the garment exporters.

They set high standards for quality of production and timely delivery. Any defects or delays in delivery in dealt with strictly.

The garment exporters agree to these demands because they are able to gain maximum profits even after that.

9. How do the garment exporters meet the conditions set by the foreign buyers?

Answer: The garment exporters cut costs. They get maximum work out of the workers at the lowest possible wages.

10. Why do you think more women are employed in the Impex garment factory? Discuss.

Answer: More women are employed in the Impex garment factory because they agree to work even at the lowest possible wages.

11. Compare the earnings per shirt of the worker in the garment factory, the garment exporter, and the business person in the market abroad what do you find?

Answer: The business person abroad makes a profit of Rs. 600 on one shirt and the garment exporter gains Rs. 100 on one shirt. So far the worker's earning is concerned, he gets only Rs. 15 per shirt.

12. What are the reasons that the business person is able to make a huge profit in the market?

Answer: There are various reasons why the business person is able to make a huge profit in the market:

Some of them are given below:

1. He sells his shirts to people belonging to the high-income groups.
2. He is able to sell a large number of shirts every day.
3. He knows the ways how to get work done by the garment exporters at the lowest possible price.

2 MARK QUESTION:

1. Who was Swapna?

Answer: Swapna was a small farmer, growing cotton on her small piece of land.

2. Why did Swapna take a loan from the local trader?

Answer: She took a loan from the local traders to buy seeds, fertilizers, and pesticides for the cultivation of cotton.

3. On what condition did the trader agree to give a loan to Swapna?

Answer: He agreed to give a loan to Swapna on a condition that she would sell all her cotton to him.

4. What is the putting-out arrangement? [V. Imp.]

Answer: Under the putting-out arrangement, the cloth merchants supply the raw material to the weavers and receive the finished product.

5. Who are mostly employed in the Impex garment factory?

Answer: They are women.

6. What do women workers do in the Impex garment factory?

Answer: They do thread cutting, buttoning, ironing, and packaging.

7. Whom does the garment exporting factory export the shirts to?

Answer: The garment exporting factory exports the shirts to foreign buyers.

4 MARK QUESTIONS:

1. How are small farmers in the grip of the local trader? [V. Imp.]

Answer: Small farmers cannot do without the help of the local traders. They depend on them for various reasons:

- During cropping season they take a loan from the local traders.
- Whenever there is an illness in the family they go to the local trader for help.
- Farmers also face seasonal unemployment. There are times in the year when they have no work and hence no income.

During this time their survival depends on borrowing money from him.

Due to these reasons, small farmers easily come in the grip of the powerful local traders.

2. How do weaver's cooperatives reduce the dependence of weavers on the cloth merchants? [V. Imp.]

Answer: In a cooperative people with common interests come together and work for their mutual benefit. In a weaver's cooperative, the weavers form a group and take up certain activities collectively. They get yarn from the yarn dealer and distribute it among the weavers. The cooperative also does marketing. In this way, the role of the merchants is reduced and weavers get a fair price on the cloth that they produce by dint of their hard labour.

3. Write a short note on the Impex garment factory.

Answer: The Impex garment factory employs mostly women. The workers work on a temporary basis. They can be asked to leave at any time. Their wages are fixed according to their skills. The highest-paid among the workers are the tailors who get about Rs. 3,000 per month. Women are employed as helpers. They are engaged in thread cutting, buttoning, ironing, and packaging. They get the lowest wages.

7 MARK QUESTIONS:

1. Who is involved in the putting-out system? How is this system advantageous and disadvantageous for the weavers? [V. Imp.]

Answer: The persons involved in the putting-out system are weavers and

merchants.

This system is advantageous for the weavers in two ways:

- They do not have to spend their money on the purchase of yam.
- They are also free from the tension of selling the finished cloth.

This system is disadvantageous for the weavers in these ways:

- They have to depend on the merchants for raw materials as well as markets.
- Under this system, the merchants become very powerful. They give orders for what is to be made and they pay a very low price for making the cloth.
- The weavers have no way of knowing who they are making the cloth for or at what price it will be sold.

2. How does market work move in favor of the rich and powerful? What are the ways to overcome them? (V. Imp.)

Answer: It is usually the rich and the powerful who earn the maximum profits in the market. These people have money and they own the factories, the large shops, large landholdings, etc. The poor have to depend on the rich and the powerful for various things. They have to depend on loans, for raw materials and marketing of their goods, and most often for employment.

This dependence makes the poor miserable. They are easily exploited in the market. They get low wages in spite of their hard labour and the rich earn huge profits at the cost of the workers. There are ways to overcome these such as forming cooperatives of producers and ensuring that laws are following strictly.

3: Explain the concept of a market in relation to the story "A Shirt in the Market." Discuss how the market system works and the role of buyers and sellers.

Answer: The market in "A Shirt in the Market" refers to the place or mechanism where buyers and sellers interact to exchange goods and services. The story highlights the concept of a free market, where goods are available for purchase by anyone willing to pay the price set by the seller. In a market system, buyers seek goods they desire, while sellers offer products for a price. The interaction between these two parties determines the exchange.

Buyers play a crucial role by expressing demand, which influences the prices set by sellers. Sellers, on the other hand, provide goods and services according to demand and compete with each other to attract buyers. In this system, prices act as signals, directing the allocation of resources and determining what products are produced and in what quantities.

4: Elaborate on the factors influencing the price of a product in a market. Use examples from "A Shirt in the Market" to support your explanation.

Answer: Several factors influence the price of a product in a market. Firstly, demand and supply dynamics heavily impact prices. When demand surpasses supply, prices tend to rise, as seen in the story when the demand for the shirt exceeded its availability, leading to an increase in its price.

Additionally, the cost of production influences pricing. If the production cost of a shirt increases due to factors like raw material costs or labor, the seller might increase the price to maintain profitability. In the story, the cost of cloth increased due to higher wages for workers, prompting the shirt's price to go up.

External factors such as government policies, taxes, and subsidies also affect prices. For instance, if the government imposes higher taxes on imported cloth, the price of shirts made from that cloth might rise. Conversely, if the government offers subsidies on cotton farming, it could lower the cost of cloth production and subsequently reduce shirt prices.

5: Analyze the role of competition in a market system, citing instances from "A Shirt in the Market."

Answer: Competition plays a pivotal role in a market system as it fosters efficiency and innovation. In "A Shirt in the Market," the presence of multiple sellers offering similar shirts illustrates competition. Each seller tries to attract buyers by offering better quality, different designs, or lower prices than their competitors.

Competition compels sellers to improve their products and services to stay relevant. In the story, when the first seller increased the price due to increased cloth costs, another seller offered a similar shirt at a lower price, leading to

competition between the sellers. This benefits buyers as they get more options at competitive prices.

Furthermore, competition incentivizes sellers to innovate, leading to better-quality products or introducing new features. In the story, sellers might offer shirts made from different materials or with unique designs to stand out in the market.

Multiple Choice Questions

1. Why did the trader pay Swapna a low price for her cotton?

- a) Cotton was of inferior quality.
- b) There was an oversupply of cotton in the market.
- c) Swapna demanded an unreasonably high price.
- d) The trader's expenses were high.

Answer: b) There was an oversupply of cotton in the market.

2. What is the putting-out system in the context of the weavers?

- a) Weavers selling directly to consumers.
- b) Weavers buying raw materials from merchants.
- c) Weavers working under direct factory employment.
- d) Weavers receiving raw materials from merchants and selling finished products to them.

Answer: d) Weavers receiving raw materials from merchants and selling finished products to them.

3. Why are garment exporting factories pressured to cut costs in production?

- a) To maximize workers' wages.
- b) To meet quality standards set by foreign buyers.
- c) To increase production efficiency.
- d) To ensure workers' rights are upheld.

Answer: b) To meet quality standards set by foreign buyers.

4. Who among the following gained the most in the market based on the information given?

- a) Workers in the garment factory.
- b) Cotton farmer like Swapna.
- c) Foreign businessperson selling shirts
- d) Garment exporter.

Answer: c) Foreign businessperson selling shirts.

A Shirt in the Market Summary:

The NCERT Class 7 Social and Political Life – II Chapter 8 talks about the following topics:

1. A cotton farmer in Kurnool
2. The cloth market of Erode
3. The garment exporting factory near Delhi
4. A shirt in the United States
5. Who are the gainers in the market?
6. Market and Equality

Social and Political Life – II is an important book for the Class 7 Social Science subject. Apart from this chapter, the full set of [NCERT Solutions for Class 7 Social Science](#) is given in the linked article.