

B.A PART 1

INDIAN ECONOMICS

PAPER 2

TIPIC :- DIFFERENT SECTOR OF ECONOMY

ECONOMY:- An economy is the large set of inter-related production and consumption activities that aid in determining how scarce resources are allocated. In an economy, the production and consumption of goods and services are used to fulfill the needs of those living and operating within it.

Economic Change:-

Our nation's economy, like most modern world economies, has developed from one built on the extraction of raw materials for consumption and sale to one that is now more dependent on revenue from services. This economic shift is important to understand from a sociological standpoint because it impacts the proportion of the population engaged in various activities that support the economy.

In this lesson, we will explore economic change by discussing the three types of sectors of an economy: primary, secondary and tertiary. These sectors can be viewed as a continuum, starting with the primary sector, which is the part of the economy generated by extracting raw materials directly from the earth for consumption or sale; moving next into the secondary sector, which is the part of the economy that transforms the raw materials into goods for sale or consumption; and finally the tertiary sector, which is the part of the economy that involves the sale or trade of services instead of goods.

Primary Sector:-

The **primary sector** involves the extraction of raw materials from the earth. This extraction results in raw materials and basic foods, such as coal, wood, iron and corn. The types of workers in this sector include farmers, coal miners and hunters.

In the U.S. and similarly in most other modern world countries, there is a decline in the proportion of the population that works in the primary sector. Currently, only 3% of our nation's labor force is engaged in primary sector activity. This is a big change from the mid-19th century in which two-thirds of the labor force was engaged in this sector.

Secondary Sector:-

The **secondary sector** involves the transformation of raw materials into goods. This transformation results in wood being made into furniture, steel being made into cars or textiles being made into clothes, as examples. The types of workers in this sector include a seamstress, factory worker or craftsman.

The development of this sector can be attributed to demand for more goods and food, which leads to industrialization. Only so much can be done in the primary sector before there is a natural limit on how much can be extracted. When an economy moves into the second sector, new farm techniques are used, and industrialization changed how goods can be transformed, distributed and sold. Currently, 20% of the U.S. labor force is involved in the secondary sector.

Tertiary Sector:-

The **tertiary sector** involves the supplying of services to consumers and businesses. This sector provides services to the general population and businesses, including retail, sales, transportation and restaurants. The types of workers in this sector include restaurant bartenders, accountants and pilots. The service industry makes up 80% of the labor force today.

Quaternary Sector:- The quaternary sector is the label used to describe a knowledge-based part of the economy, which typically includes knowledge-oriented economic sectors such as information technology; media; research and development; information-based services such as information-generation and information-sharing; and knowledge-based ...