📘 Class 9 Social Science – Chapter 8 NCERT Textbook Solutions

Building Blocks in Economics: The Problem of Choice

Book: *Understanding Society: India and Beyond – Grade 9, Part 1*
Session: 2026–27

These solutions are based on the **official Chapter 8 textbook you provided**. The chapter explains scarcity, choice, opportunity cost, economic systems and the three key economic questions: **what to produce, how to produce, and for whom to produce**.

The textbook contains **10 end-of-chapter questions/activities**.

📝 Q1. Why do you think people's wants keep changing over time? How does this affect production in an economy? Why cannot all our wants be satisfied?

✅ Answer:

People's wants keep changing because of:

- 💡 New ideas and innovations
- 📱 Changes in technology
- 🌍 Changes in lifestyle
- 📢 Advertising and marketing
- 💰 Changes in income
- 👥 Changes in social preferences

For example, people may first want a bicycle, later a motorbike and eventually a car.

As wants change, **consumer demand also changes**. Producers respond by introducing new products and changing the quantity and type of goods and services they produce.

However, all wants cannot be satisfied because **resources are limited while human wants are unlimited**. Resources such as land, labour, capital, technology and natural resources have alternative uses. Therefore, individuals, businesses and governments have to make choices about how to use available resources.

📝 Q2. “Human wants are unlimited and keep changing.” How does this constant desire for more create pressure on the environment? Can the fulfilment of wants and the extraction of resources be balanced?

✅ Answer:

Increasing wants can put pressure on the environment because producing more goods and services often requires greater use of natural resources.

For example:

🌳 More production may require more land.
💧 Industries and agriculture may use large amounts of water.
⛏️ Mining extracts minerals and other natural resources.
🏭 Industrial production can create pollution.
🗑️ Increased consumption can generate more waste.

However, the fulfilment of wants and extraction of resources **can be balanced** through:

- ♻️ Recycling and reuse
- 🌱 Sustainable production
- 💧 Efficient use of water
- ⚡ Greater use of renewable energy
- 🌳 Conservation of forests and biodiversity
- 🛍️ Responsible consumption

The aim should be to meet present needs while ensuring that resources remain available for future generations.

📝 Q3. Can you think of a resource in your region that is scarce but used wastefully? How could it be managed better?

✅ Answer:

Water is an example of a scarce resource that can be used wastefully.

Water may be wasted through:

🚰 Leaking taps and pipes
🚿 Excessive use during bathing
🌱 Inefficient irrigation
🧹 Washing vehicles or outdoor areas with excessive water

Better management:

- Repair leaking pipes and taps.
- Use water-efficient irrigation methods.
- Reuse water wherever possible.
- Harvest rainwater.
- Create awareness about water conservation.
- Avoid unnecessary consumption.

Since water has alternative uses, careful management is necessary to ensure that limited resources are used efficiently.

📝 Q4. Which economic system—market, planned, or mixed—gives people the most freedom? Which economic system is best suited for promoting innovation? Why?

✅ Answer:

A **market economy** generally gives people greater economic freedom because individuals and private enterprises have greater freedom to make decisions about production, consumption and investment.

A market economy also has strong incentives for **innovation** because businesses compete with one another and try to develop better products, services and production methods.

However, a **mixed economy** combines elements of both market and planned systems. It allows private economic activity while giving the government an important role in areas where public intervention is necessary.

Therefore:

- 🟢 **Market economy** → greater economic freedom and strong incentives for innovation.
- 🔵 **Planned economy** → greater government control over economic decisions.
- 🟠 **Mixed economy** → combines market mechanisms with government intervention.

The textbook notes that modern economies generally combine elements of market and planned systems.

📝 Q5. Why do pure economic systems rarely exist in reality? Why is a mixed economy often considered more practical?

✅ Answer:

Pure market and pure planned economic systems have limitations.

🟢 Pure Market Economy

A completely market-driven system may not adequately address:

- Public goods
- Social welfare
- Inequality

- Environmental concerns

🔵 Pure Planned Economy

A completely government-controlled system may face:

- Limited consumer choice
- Less competition
- Less incentive for private innovation
- Difficulty in making every economic decision efficiently

🟠 Mixed Economy

A mixed economy combines:

Market mechanisms + Government intervention

This allows:

- 👥 Private individuals and businesses to make many economic decisions.
- 🏛️ Government to provide essential public services.
- ⚖️ Government to address social and economic concerns.
- 💡 Competition and innovation to continue.
- 🌱 Public policies to address issues such as environmental protection.

Therefore, a mixed economy is often considered more practical because it combines the advantages of market and planned approaches while reducing their limitations. The textbook explains that most modern economies contain elements of both systems.

📝 Q6. A student has ₹100 and must choose between buying a notebook or saving the money for a tennis racket later. Which economic concept best explains this situation?

✅ Correct Answer:

b. Opportunity Cost ✔️

Opportunity cost is the value of the option that is given up when another option is chosen.

If the student spends ₹100 on the notebook, the opportunity cost is the benefit of saving that ₹100 towards buying the tennis racket.

The textbook explains that when one alternative is chosen, the other options are given up, and the value of what is given up is called the **opportunity cost**.

📝 Q7. How does understanding opportunity cost improve the quality of economic decision-making?

✅ Answer:

Understanding opportunity cost helps people compare the **benefits and costs of different alternatives** before making a decision.

For example, suppose a student has limited money and can either:

📚 Buy a book
or
🎮 Buy a game.

If the student chooses the book, the opportunity cost is the benefit that could have been obtained from buying the game.

Understanding this helps individuals:

- 🔍 Compare alternatives.
- 💰 Use limited resources wisely.
- 🎯 Choose the option with greater benefit.
- ⚖️ Consider what they are giving up.
- 📊 Make more informed decisions.

Opportunity cost is therefore an important part of economic decision-making because every choice involves giving up another alternative.

📝 Q8. Can effective economic decisions be made without reliable data? Support your answer with an example.

❌ Answer: It is difficult to make effective economic decisions without reliable data.

Reliable data helps individuals, businesses and governments understand the situation before making decisions.

Example:

Suppose a farmer wants to decide which crop to grow.

The farmer needs information about:

🌧️ Rainfall
💧 Water availability
🌱 Soil conditions
💰 Market prices
🛒 Consumer demand

If the farmer does not have reliable information about these factors, the farmer may choose an unsuitable crop and suffer losses.

Similarly, governments require reliable economic data while making decisions about employment, inflation, agriculture, health, education and infrastructure.

The textbook also highlights the importance of economic information and documents such as the **Economic Survey** in understanding the performance and challenges of the economy.

📝 Q9. Analyse how a country's present economic choices can shape its long-term future. Why is it important to consider future consequences?

✅ Answer:

Economic decisions made today can influence a country's future development.

For example, if a country invests in:

📚 Education → it can develop skilled human resources.
🏥 Healthcare → it can improve people's health and productivity.
🛣️ Infrastructure → it can support economic activity.
🌱 Sustainable technologies → it can reduce environmental damage.
🔬 Research and innovation → it can improve future productivity.

On the other hand, excessive use of natural resources or decisions focused only on short-term gains can create long-term problems.

Therefore, governments must consider **opportunity costs and future consequences** while making economic decisions.

A good economic decision should balance:

Present needs + Future needs + Available resources + Long-term sustainability

The chapter emphasises that economic choices involve scarce resources and that these choices influence production, distribution and use of resources.

📝 Q10. Identify a news article about a product or commodity where producers are deciding how much to produce or supply.

✅ Suggested Answer / Activity

This is a **research-based activity**. The textbook asks students to select a newspaper article about a product or commodity such as vegetables, fruits, fuel or electronics and explain the production/supply decision in **2–3 sentences**.

✍️ Sample Answer:

Example: Vegetable Production

Suppose a news report discusses farmers increasing the production of tomatoes because market prices and demand have risen. Producers may decide to increase supply because they expect higher demand and better returns. Their decision is influenced by factors such as market demand, prices, availability of resources and expected profit.

👉 **For the website:** Since this is a current-news activity, students should use a **recent newspaper article** and mention the newspaper/source when completing the activity.

⭐ Chapter 8 Quick Revision

💡 Economics is about:

Unlimited Wants + Limited Resources → Choices

🔑 Three Key Economic Questions:

1. 🏭 **What to produce?**
2. ⚙️ **How to produce?**
3. 👥 **For whom to produce?**

💰 Opportunity Cost

Choice of one option → Giving up another option → Opportunity Cost

🏛️ Economic Systems

🟢 **Market Economy** → Private decisions, demand and supply
🔵 **Planned Economy** → Government control
🟠 **Mixed Economy** → Combination of market and government mechanisms

These are the central ideas summarised by the textbook at the end of Chapter 8.

📌 Important Terms

- **Scarcity** – Resources are limited in relation to wants.
- **Choice** – Selecting one option among alternatives.
- **Opportunity Cost** – Value of the next-best alternative given up.
- **Economy** – System of production, distribution, trade and consumption of goods and services.
- **Market** – A place or system where buying and selling of goods and services takes place.
- **Factors of Production** – Land, labour, capital and technology.

- **Economic System** – The system through which production, consumption and distribution are organise