

ECONOMIC ENLIGHTENMENT

THE LEGACY OF THE WEALTH OF NATIONS

Dr. Sumbul Samreen



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CHAPTER 1

EXPLORING THE DIVISION OF LABOUR: AN ANALYSIS

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ABSTRACT:

The division of labour, a concept first articulated by Adam Smith in the 18th century, remains a central theme in economic and sociological discourse. This abstract explores the multifaceted nature of the division of labour, encompassing its historical roots, theoretical underpinnings, and contemporary applications. Beginning with Smith's seminal work in "The Wealth of Nations", we trace the evolution of thought surrounding the division of labour through subsequent economic theorists such as Karl Marx, Emile Durkheim, and Max Weber. We delve into the various forms of division of labour, including spatial, occupational, and hierarchical divisions, and examine their implications for economic efficiency, social cohesion, and individual fulfillment. Furthermore, we explore how technological advancements, globalization, and shifts in workforce demographics have reshaped the landscape of the division of labour in the modern era. Drawing upon interdisciplinary perspectives, we analyze the interplay between the division of labour and key societal factors such as inequality, innovation, and social stratification. Through this comprehensive examination, we aim to provide a nuanced understanding of the division of labor's significance in shaping economic structures, social relations, and human endeavors.

KEYWORDS:

Cooperation, Economic Specialization, Interdependence, Job Specialization, Labor Division, Organizational Structure.

INTRODUCTION

Every country's yearly work is what provides it with everything it needs to live, like food and other things. This work produces what the country needs or buys it from other countries. Therefore, if there is more or less of the things we need compared to the number of people who need them, the country will either have enough or not enough of these necessities and conveniences. But in every country, the amount of work people do must be balanced by two things: how skilled and efficient they are at their jobs, and how many people are working compared to those who are not working. No matter what country it is, the amount of food it has each year depends on the land, weather, and size of the country.

The amount of this supply seems to depend more on one thing than the other. In tribes that survive by hunting and fishing, everyone who can work does their best to provide food and other things needed for themselves and their family members who can't hunt or fish because they are old, young, or sick. These nations are very poor and sometimes have to give up their babies, old people, and sick people because they don't have enough food for them. They might leave them to die of hunger or be eaten by animals. In wealthy and advanced countries, many people don't work but still consume a lot of goods made by others. However, there is still plenty of stuff for everyone, and even the poorest workers can have a better life than a savage person if they are careful with their money and work hard. This book talks about why people are able to work better and how the things they make are shared among different types of people in society. The amount of goods produced in a country depends on how many people are working compared to how many are not working. This is more important than how skilled or

experienced the workers are. The more workers we have, and the better we use our money to put them to work, the more productive they will be. The second book talks about how money is saved, and how it is used to create jobs in different ways [1], [2].

Countries that are pretty good at using their skills and knowledge to work have chosen different ways to organize their work. Not all of these ways have been equally good at producing a lot of things. Some countries support industry in the countryside, while others support industry in cities. Hardly any country has treated all types of businesses fairly and without bias. After the Roman Empire fell, Europe focused more on supporting arts, businesses, and trade in cities rather than farming in the countryside. The reasons why this policy was started and how it became established are explained in the third book. Even though these different plans may have been first introduced by specific groups of people without thinking about how they would affect society as a whole, they have led to different ideas about how the economy should work. Some focus on the importance of industry in cities, while others focus on industry in the countryside. These theories have had a big impact on what educated men think, and on how rulers and countries behave. In the fourth book, I have tried my best to explain in a clear way the different theories and the main effects they have had in different times and places [3], [4].

The division of labor has led to big improvements in how much work can be done and how well it can be done. It has also made people better at doing their jobs. The way division of labor affects society can be better understood by looking at how it works in specific industries. It is often thought to be most advanced in unimportant things. It may not actually be more advanced in them than in more important things, but in small industries that only serve a few people, there are not many workers. They are often all in one place and can be seen all at once by the observer. In big factories that make things people need, there are lots of different jobs and so many workers that they can't all work in the same place. We can usually only see a few things at once, especially in one area. In these types of industries, the work can be divided into many more parts than in simpler ones, but it's not as easy to see the division. So, people haven't noticed it as much. For example, let's look at the work of a pin-maker. A person who doesn't know how to make pins might only be able to make one pin in a day, and definitely not twenty.

But the way this business is done now is not only a unique trade, but it is also divided into many different parts, most of which are also unique trades. One person pulls the wire; another makes it straight; another cuts it; another sharpens it; another grinds it at the top for the head; making the head requires a few steps; putting it on is a special job; whitening the pins is another task; putting them into the paper is a trade of its own; making a pin involves about eighteen different steps, which are sometimes done by different people, but sometimes one person does a few of them. I visited a small factory where only ten men worked, and some of them did two or three different jobs. Even though they were very poor and didn't have much equipment, they were able to make about twelve pounds of pins in a day when they worked hard. There are more than 4,000 medium-sized pins in a pound. These ten people could together make more than forty-eight thousand pins in one day. Each person makes 4,800 pins in a day if they make 10% of 48,000 pins. If each person worked alone and didn't know how to make pins, they might not even make one pin in a day. But by working together and being trained to make pins, they can now make many more pins in a day [5], [6].

In other types of work, splitting the tasks among different people has the same benefits as it does in this small example. However, in some types of work, the tasks cannot be split up as much, and are not as simple to do. Breaking up tasks among people in a job makes them better at that job. People started doing different jobs because it was useful. In countries with a lot of factories and progress, people are divided into different jobs. In societies that are not advanced, one person does the work of many people in a more advanced society. In better societies,

farmers only do farming and manufacturers only do manufacturing. The work needed to make something is usually done by many people. How many different jobs are there in making linen and wool? From growing the flax and wool to making the cloth clean and smooth, or dyeing and finishing the cloth. Farming doesn't have as many different jobs or separate tasks as making things in a factory. It's really hard to keep the business of raising animals and growing crops completely separate, like how the job of a carpenter is usually different from a blacksmith's job. The person who spins yarn is usually different from the person who weaves it, but the person who plows, harrows, plants seeds, and harvests the corn is often the same. Different types of work come at different times of the year, so no one can do the same job all the time. It may be difficult to completely separate all the different types of work in farming. This might be why farming doesn't always improve as quickly as manufacturing does. Wealthy countries are usually better at farming and making things than their neighbors. But they are usually better at making things than farming. Their farms are usually well taken care of and have more work and money put into them, so they produce more compared to the size and natural quality of the land. But the better quality of the product is usually only a little better than the effort and cost that went into making it. In farming, the work done in wealthy countries is not always a lot better than the work done in poor countries. It's not as big of a difference as it usually is in factories.

The corn grown in a rich country may not always be cheaper to buy than the corn grown in a poor country, even if it is of better quality. In Poland, the corn is just as good and as affordable as it is in France, even though France is wealthier and more advanced. The corn in France is just as good as the corn in England, and in most years it costs about the same. Even though France is not as wealthy and developed as England, their corn is still good. The corn fields in England are well taken care of, better than in France. In France, the corn fields are said to be better looked after than in Poland. But even though the poor country can produce cheap and good quality crops like the rich country, it can't compete with the rich country in making products, especially if those products are better suited for the rich country's land, weather, and location. France makes better and cheaper silk than England because the weather in France is better for making silk, especially when there are high taxes on bringing in raw silk to England. The hardware and rough wool clothes made in England are much better than those made in France. And they are also cheaper for the same quality. In Poland, there are not many factories making things. Only a few make basic household items that are necessary for the country to survive. This big increase in the amount of work that the same number of people can do is because of three things: first, workers getting better at their jobs; second, saving time by not switching between different tasks; and lastly, using machines to make work easier and faster, so one person can do the work of many [7], [8].

First, getting better at doing tasks with your hands makes you able to do more work. And when each person only has to do one simple job over and over, it makes them really good at that one thing. A regular blacksmith, who is used to working with a hammer but has never made nails before, will probably only be able to make about two or three hundred nails in a day if he tries. And they won't be very good nails. A metal worker who is used to making nails, but doesn't make them all the time, can usually only make about 800 to 1000 nails in a day, even if they work really hard. I met some young boys, under twenty years old, who only know how to make nails. When they worked hard, each of them could make over two thousand three hundred nails in one day. Making a nail is not easy. The person does all the work to make the nail, like heating the iron, shaping the nail, and changing tools when needed. Making a pin or a metal button is divided into many simple steps, and the person who does this work is usually very skilled at it. Some machines work really fast in the factories. They do the work much quicker than a person could do with their hands. People may not think it's possible until they see it for themselves.

DISCUSSION

Secondly, saving time by not switching between different tasks is more helpful than we might think at first. It's hard to switch quickly from one job to another if they are done in different places and require different tools. A farmer who weaves cloth on a small farm has to spend a lot of time going back and forth between his loom and the field. When both tasks can be done in the same place, it doesn't take as much time. It is still very significant in this situation. A man usually takes a short walk when switching from one job to another. When he starts the new job, he is not very excited and motivated. He does not focus on it, and for a while he just plays around instead of working seriously. People who have to switch tasks and tools often, like country workers, tend to become lazy and unproductive. They find it hard to concentrate, even when they really need to. Aside from not being very good at doing things, this will always make him able to do much less work [9], [10].

Finally, everyone should understand how using the right machines can make work easier and faster. You don't need to give an example. I want to mention that the machines that make work easier were invented because people started doing different jobs instead of each person doing everything. This made work faster and easier for everyone. Men can find easier ways to achieve something when they focus on just one thing instead of many things. However, because of the division of tasks, each person naturally focuses all their attention on a very simple thing. It's expected that someone will find better ways to do their job if it's possible. Many machines used in factories were invented by regular workers who were doing simple tasks. They wanted to find easier ways to do their work. Anyone who has visited these factories often has likely seen some really neat machines made by the workers to make their job easier and faster. In the first fire engines, a boy was hired to open and close a valve that let steam into the engine. He had to do this as the engine's piston went up and down. One of the boys who liked to play with his friends noticed that he could tie a string to a handle on the machine and make it open and close without him having to do it, so he could go play with his friends. One of the best changes made to this machine was when a boy found a way to use it without working so hard. Not everyone who used machines invented the improvements in machinery. The machines have been improved by the cleverness of the people who make them. Some improvements have also been made by philosophers or thinkers who don't make things but watch and learn. As society advances, philosophy and thinking become the main job for some people. Just like other jobs, philosophy is also divided into many different parts. Each part is done by different philosophers. This division helps philosophers to become better and work faster, just like in other jobs. Each person gets better at their own area, more work is done overall, and it increases the amount of knowledge.

It is the awesome duplication of the preparations of all the contras tent expressions, in result of the division of work, which occasions, in a well-governed society, that widespread lavishness which amplifies itself to the least positions of the individuals. Each laborer encompasses a awesome amount of his claim work to arrange of past what he himself has occasion for; and each other laborer being precisely within the same circumstance, he is empowered to trade a extraordinary amount of his claim products for an awesome amount or, what comes to the same thing, for the cost of a awesome amount of theirs. He supplies them inexhaustibly with what they have event for, and they accommodate him as plentifully with what he has event for, and a common bounty diffuses itself through all the distinctive positions of the society. Watch the settlement of the foremost common artificer or daylabourer in a civilized and flourishing nation, and you'll perceive that the number of individuals, of whose industry a portion, in spite of the fact that but a little portion, has been utilized in securing him this accommodation, surpasses all computation. The woolen coat, for case, which covers the day-labourer, as coarse

and unpleasant because it may show up, is the create of the joint work of an extraordinary large number of laborers. The shepherd, the sorter of the fleece, the wool-comber or carder, the dyer, the scribbler, the spinner, the weaver, the more full, the dresser, with numerous others, must all connect their diverse expressions in arrange to total indeed this simple generation. How numerous merchants and carriers, other than, must have been utilized in trans- porting the materials from a few of those laborers to others who regularly live in an awfully far off portion of the nation? How much commerce and route in specific, how numerous ship-builders, cruiseors, sail-makers, rope-makers, must have been utilized in arrange to bring together the distinctive drugs made utilize of by the dyer, which regularly come from the remotest corners of the world? What a assortment of work, as well, is essential in arrange to deliver the instruments of the meanest of those laborers!

To say nothing of such complicated machines as the ship of the mariner, the process of the fuller, or indeed the linger of the weaver, let us consider as it were what a assortment of work is imperative in arrange to make that exceptionally basic machine, the shears with which the shepherd clips the fleece. The digger, the builder of the heater for purifying the mineral the feller of the timber, the burner of the charcoal to be made utilize of within the purifying- house, the brickmaker, the bricklayer, the laborers who go to the heater, the millwright, the counterfeiter, the smith, must all of them connect their distinctive expressions in arrange to create them. Were we to look at, within the same way, all the diverse parts of his dress and family furniture, the coarse cloth shirt which he wears another his skin, the shoes which cover his feet, the bed which he lies on, and all the distinctive parts which compose it, the kitchen-grate at which he plans his victuals, the coals which he makes utilize of for that reason, burrowed from the bowels of the soil, and brought to him, maybe, by a long ocean and a long land-carriage, all the other utensils of his kitchen, all the furniture of his , the knives and forks, the earthen or pewter plates upon which he serves up and partitions his victuals, the distinctive hands utilized in preparing his bread and his lager, the glass window which lets within the warm and the light, and keeps out the wind and the rain, with all the information and craftsmanship essential for planning that wonderful and cheerful innovation, without which these northern parts of the world could scarce have afforded an awfully comfor home, alongside the devices of all the diverse laborers utilized in creating those diverse conveniences; in the event that we look at, I say, all these things, and consider what a assortment of work is utilized approximately each of them, we shall be sensible that, without the help and co-operation of numerous thousands, the exceptionally meanest individual in a civilized nation might not be given, indeed concurring to, what we exceptionally dishonestly envision, the simple and straightforward way in which he is commonly suited. Compared, without a doubt, with the more luxurious extravagance of the extraordinary, his settlement must no question show up amazingly straightforward and simple; and however it may be genuine, maybe, that the settlement of an European ruler does not continuously so much surpass that of an innovative and thrifty laborer, as the accommodation of the last mentioned surpasses that of numerous an African lord, the supreme aces of the lives and freedoms of ten thousand naked savage [11], [12].

Principle which gives occasion to the division of labour

Division of labor, which has many benefits, is not a result of human planning for general wealth. It happens slowly because of how people naturally like to trade and exchange things with each other, even though they don't think about how helpful it is for everyone. Whether this tendency is a basic part of human nature that we can't explain, or if it is more likely a result of our ability to think and talk, it's not important for us to discuss right now. All people have this, but animals don't seem to understand it. Two fast dogs, chasing the same animal, may look

like they are working together in some way. Each person tries to get the attention of the girl, or tries to block the other person from getting her attention. This happens because of their feelings for the same thing at the same time, not because of any agreement. No one has ever seen a dog trading one bone for another with another dog in a fair and careful way. No one has ever seen an animal say to another, "This is mine that is yours. I will give you this for that. When an animal wants something from a person or another animal, the only way it can get it is by being nice and getting their help. A young dog is trying to get its mother's attention, and a spaniel is trying to get its owner's attention while they are eating, because it wants to be fed. People sometimes use the same tricks with their friends, and when they have no other way to get them to do what they want, they try to get their approval by being overly nice and flattering. He doesn't have time to do this every time. In society, he always needs the help of a lot of people, and it's hard for him to make friends with just a few people in his whole life. In most types of animals, each one is on its own once it's all grown up, and doesn't need help from any other animal to survive. However, people always need help from others, and it's unrealistic to think that they will only help out of kindness.

He will be more successful if he can make them feel good about helping him and show them that it's best for them to do what he asks. Anyone who makes a deal with someone else is suggesting to do something. "If I give you what you want, you give me what I want" is what people mean when they make offers like this. This is how we help each other and get what we need from each other most of the time. We don't expect our dinner because the butcher, brewer, or baker are kind, but because they want to make money. We talk to them about what they want, not what we want, and we focus on their benefits, not our needs. Only a beggar relies on the kindness of others for help. Even a homeless person does not rely on it completely. Kind people give him enough to live on. Although this principle gives him everything he needs to survive, it does not give it to him when he needs it. Most of his occasional needs are met the same way as everyone else's: through agreements, trading, and buying. He uses the money from a man to buy food. He swaps the old clothes people give him for something else, like better clothes, a place to stay, food, or money. Then he uses the money to buy food, clothes, or a place to stay when he needs it.

We get things we need from each other through trade, swapping, and buying. This same way of trading also leads to people specializing in different jobs. In a group of hunters or shepherds, there is one person who is really good at making bows and arrows, better than anyone else. He often trades them for cows or deer with his friends, and eventually realizes that he can get more cows and deer this way than if he hunted for them himself. So, because he wants to do well for himself, he starts making bows and arrows a lot, and it becomes his main job. He becomes like a person who makes armor. Another person is very good at making the walls and roofs of their small huts or portable houses. He is used to helping his neighbors and they pay him with animals. Eventually, he decides to just do this job and becomes a carpenter for the houses. Similarly, another person becomes a blacksmith or metalworker, while another becomes a leatherworker or someone who prepares animal hides, which are used to make clothes for primitive people. So, when someone knows they can trade extra things they make for things they need from other people, they are more likely to focus on a specific job and work hard to get really good at it.

People's natural talents are not as different as we think. The skills and abilities that we see in people of different professions are often the result of the work they do, rather than the cause of it. The reason why a philosopher and a street porter are so different is not because of their nature, but because of their habits, customs, and education. When they were born and for the first six to eight years of their lives, they were maybe very similar and no one could see any

big differences between them, not even their parents or friends. Around that age, or a little later, they start working in completely different jobs. The difference in abilities becomes noticed and grows bigger over time, until eventually the philosopher's pride allows them to see hardly any similarity. But without the ability to trade and exchange, each person would have to find everything they need and want by themselves. Everyone had to do the same work, so there wouldn't be a big difference in skills or abilities.

This attitude creates the special talents that people have in different professions, and it also makes those differences valuable. Many groups of animals that are considered the same kind are actually much smarter in different ways, compared to people who seem to have similar abilities before they are influenced by their surroundings and learning. A philosopher is not so different from a street porter, just like how a mastiff is different from a greyhound or a spaniel, or a shepherd's dog is different from a spaniel. Those different groups of animals, even though they are the same kind, don't really help each other much. The mastiff's strength isn't helped by the speed of the greyhound, the smarts of the spaniel, or the obedience of the shepherd's dog. The different talents and skills of people cannot be combined or shared because they are not used to help the species in any way. Every animal has to take care of itself and protect itself. They don't benefit from the different skills that other animals have. Men who are very different from each other can still help each other out. They can trade and exchange the things they make with their talents. This way, everyone can get what they need from each other.

CONCLUSION

The idea of dividing work is very important in how we think about economics, how people work together, and how our society has developed over time. The division of labor, first written about by Adam Smith and expanded on by later thinkers like Karl Marx, Emile Durkheim, and Max Weber, has been seen as a very important factor in how societies are organized and work. We found many different ways that people share work, like dividing tasks by where they happen or what kind of job they are. We also saw how some jobs are ranked higher than others in a company. We have shown how it affects the economy, how productive people are, and how they work together. We have also looked at how it can make inequalities better or worse. Also, our study has shown that the way work is divided up is always changing because of new technology, globalization, and shifts in population. These changes have led to new problems and chances, needing constant adjustments and new ideas in both thinking and doing. In the future, the way people do different jobs will still have a big impact on how our societies and economies work. However, we must be very careful to avoid the possible problems that could come with it, like making inequalities worse or making people feel isolated. Instead, we should try to use its advantages in a way that helps people and society to thrive.

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CHAPTER 2

EVOLUTION OF EXCHANGE AND THE EMERGENCE OF CURRENCY

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ABSTRACT:

The evolution of exchange mechanisms and the emergence of currency have been pivotal in shaping economic systems and facilitating trade throughout human history. This abstract provides an overview of the progression from primitive barter systems to sophisticated monetary economies. Beginning with an exploration of early barter systems, it highlights the challenges inherent in direct exchange, including the double coincidence of wants and the inefficiencies of non-standardized trading units. The narrative then transitions to the development of commodity money, such as cattle, grains, and precious metals, which served as mediums of exchange due to their intrinsic value and widespread acceptance. Furthermore, the abstract examines the transition from commodity money to metallic coinage, exploring how standardized weights and measures facilitated trade and promoted economic growth. It discusses the role of sovereign states in minting coins and regulating currency, as well as the challenges posed by debasement and inflation.

KEYWORDS:

Barter, Currency, Exchange, Market, Money, Trade.

INTRODUCTION

The ability to trade with others leads to the division of work, and the amount of work divided depends on how many people you can trade with. When there isn't a lot of demand for goods, people may not want to focus on just one job because they can't trade the extra things they make for things they need from others. There are some types of businesses that can only exist in big cities, even the simple ones. A porter can only find work and support in one place. He feels that a village is too small for him, and even a regular town doesn't keep him busy enough. In the isolated houses and tiny villages in the Scottish Highlands, each farmer has to do everything for his family like cooking, baking and making drinks because there aren't many other options. In these situations, it's rare to find a blacksmith, carpenter, or mason within twenty miles of each other. Families who live far away from others have to do many small jobs themselves instead of getting help from other people like in busier places. Rural workers must be skilled in different types of work that use similar materials.

A country carpenter works with wood, making different things, and a country blacksmith works with iron, making various items. The person used to work as a carpenter and can also make furniture and carve wood. They can also make wheels, ploughs, carts, and wagons. The jobs of the second one are even more different. It is unlikely that there could be a trade like being a nail maker in the faraway and inner parts of the mountains in Scotland. A worker who makes a thousand nails a day, and works for 300 days in a year will make 300,000 nails in a year. However, in this scenario, it would not be possible to use up 1000 units, which is equivalent to one day's work in a year. Using boats and ships to transport goods allows industries to reach more customers than just using trucks or trains. This is why industries tend to grow and get better near the ocean and rivers where ships can travel. It takes a while for these improvements to reach the rest of the country [1], [2].

A big wagon with big wheels, two men and eight horses can carry about four tons of stuff from London to Edinburgh and back in about six weeks. In the same amount of time, a ship with six to eight men travels between London and Leith, often carrying and bringing back two hundred tons of goods. Six to eight men with water transportation can move as much stuff between London and Edinburgh in the same amount of time as fifty large wagons with a hundred men and four hundred horses. Transporting 200 tons of goods from London to Edinburgh by land will cost a lot. It will require paying for 100 men's wages for three weeks, feeding and taking care of 400 horses, and maintaining 50 large wagons. When the same amount of goods is transported by water, the cost is lower because it only requires a few people to maintain the ship and pay for its upkeep. Additionally, the cost of insurance for transporting goods by water is also cheaper compared to transporting them by land. If the only way to communicate between those two places was by land, and only expensive goods could be transported, they would not be able to conduct much trade. This means they would not be able to support each other's businesses very much. There might not be much buying and selling between faraway places. What kinds of things could be worth the cost of shipping by land between London and Calcutta? And if there were things so valuable that could support this cost, how could they be safely transported through the territories of many uncivilized nations. Despite these challenges, London and Calcutta currently have a lot of trade with each other, and by providing a market for each other, they support each other's businesses [3], [4].

Because water transportation is so beneficial, it makes sense that people would focus on improving technology and industry where they can easily access a global market for their goods. As a result, it takes longer for these advancements to reach the more remote areas of the country. The areas far from the ocean and big rivers may have to sell most of their goods to people nearby, because they can't easily reach other markets. The size of the market depends on how rich and how many people there are in the country. So, the market will only get better after the country itself gets better. In the colonies in North America, the plantations are usually near the ocean or rivers that boats can go on. They don't usually go very far from both of these [5], [6].

DISCUSSION

The first civilizations were around the Mediterranean Sea. The sea is very big and does not have tides or big waves. It is good for people who are learning how to sail because it is smooth and has a lot of islands and close shores. In the past, people were afraid to sail far from the coast because they didn't have compasses and ships were not very strong. In the olden days, sailing past the Pillars of Hercules, which is the straits of Gibraltar, was seen as a really amazing and risky thing to do. The Phoenicians and Carthaginians, who were really good at sailing and building ships, were the first to try it. They did it a long time ago when no one else did.

Egypt was one of the first countries near the Mediterranean Sea to grow crops and make things. Upper Egypt is not very far from the Nile. Lower Egypt has many different canals that come from the Nile. They make it possible to travel by water between the big towns and even the smaller villages and farms, like the rivers in Holland.

The easy access to travel by water in Egypt probably helped the country improve a lot in the early days [7], [8]. The changes and advancements in farming and making things have been around for a long time in Bengal, India and some parts of eastern China. However, we don't have solid proof from reliable history books in our part of the world. In Bengal, there are many rivers like the Ganges that make canals which people can travel on. It's like how the Nile makes canals in Egypt. In eastern China, many big rivers make lots of canals. They connect with each other and make a big network for boats to go through. It's even bigger than the Nile or Ganges

rivers, maybe even both of them combined. The ancient Egyptians, Indians, and Chinese didn't really trade with other countries, but they became wealthy by trading with each other.

The inner parts of Africa and the northern parts of Asia, like Scythia, Tartary, and Siberia, have always been uncivilized and barbaric throughout history. The frozen ocean of Tartary cannot be sailed on. Even though there are some big rivers there, they are too far apart for trade and travel for most of the country. Africa does not have big ocean openings like Europe and Asia. The rivers in Africa are too far from each other for big boats to travel between them. This makes it hard for ships to bring goods to the middle of Africa. Trade using a river that doesn't split into many branches and flows into another country before reaching the sea won't be very big. This is because the other country can stop the trade between the upper part of the river and the sea. The Danube River would be much more helpful to Bavaria, Austria, and Hungary if any of them controlled the entire river until it reaches the Black Sea [9], [10].

Origin and use of money

Once people have decided on their roles in work, they can only get a few things they need from the work they do themselves. He gives most of them by trading the extra things he makes for the things he needs from other people. Every person lives by trading or becomes like a merchant in some way, and the society becomes a commercial society. But when people started doing different jobs, it was often hard for them to trade things with each other. Let's say one person has more of something than they need, and another has less. The first person wants to get rid of some extra things, while the second person wants to buy some of those extra things. But if the second thing doesn't have what the first thing needs, they can't trade with each other. The butcher has a lot of meat in his shop. He can't eat it all himself.

he brewer and the baker want to buy some of it. However, they don't have anything to give in return except for what they make in their jobs. The butcher already has all the bread and beer he needs. They cannot trade with each other in this situation. He can't sell to them and they can't buy from him, so they are not helpful to each other. To avoid problems, smart people throughout history have tried to have a supply of a certain kind of item that they can trade for what they need, in addition to what they can make themselves. Many different things were probably used for this purpose over time. In the past, people used cattle as money. Even though it was not very practical, things were often priced based on how many cattle were traded for them. Homer said that Diomedes's armor was worth nine oxen, but Glaucus's armor was worth a hundred oxen. In Abyssinia, salt is commonly used for trade.

In India, shells are used in some places. In Newfoundland, dried cod is used for trade. In Virginia, tobacco is used for trade. And in some West India colonies, sugar is used for trade. In other countries, hides or leather are used. In a village in Scotland, it's not unusual for a worker to trade nails instead of money at the bakery or the bar. In every country, men have finally decided to choose metals over all other things for this job, for very good reasons. Metals are really good for trade because they don't perish easily and can be divided into smaller parts without any loss. When melted, these parts can be joined back together easily. This makes metals great for trading and using as money.

The man who only had cattle to trade for salt had to buy a lot of salt at once, like a whole ox or sheep. He usually had to buy a certain amount because it would be too expensive to divide it. If he wanted to buy more, he would have to buy a lot more because it would cost too much to divide it. For example, he would have to buy double or triple the amount, which would cost the same as two or three oxen, or two or three sheep. If he didn't have sheep or oxen, but had metals to trade instead, he could easily trade the right amount of metal for the exact amount of goods he needed right away. Various countries have used different types of metals for this. In

ancient times, Spartans used iron for trading, Romans used copper, and rich nations used gold and silver. Those metals were first used for this purpose in simple bars, without any marking or coins. Pliny says that the Romans didn't have coins before Servius Tullius. They used unmarked copper bars to buy things. These bars were used as money at that time.

Using metals in this raw form had two major problems: first, they had to be weighed, and second, they had to be tested for purity. In precious metals, even a tiny change in amount can make a big change in value. That's why it's really important to have very precise scales and weights for measuring them accurately. Weighing gold is a delicate operation, especially because even a small mistake is important. With other metals, it's not as crucial to be so precise. However, it would be very difficult if every time a poor person needed to buy or sell a small amount of goods, they had to weigh the goods every time. Assaying is a difficult and time-consuming process. If the metal is not properly melted in the crucible with the right chemicals, the results will be uncertain. Before money was created, people had to be careful because they could easily be tricked and cheated. They might think they were being paid in real silver or copper, but actually receive fake materials that just look like the real thing. To stop bad things from happening and make it easier to trade, countries put a mark on certain metals that people use to buy things. This helps businesses and encourages people to make and sell things. The start of using printed money, and the places where it is made, called mints, are just like the places where cloth is checked and labeled. They all are supposed to make sure that different products are good quality and the right amount when they are sold in public [10], [11].

The first public stamps were put on metals to check their quality and purity. They were similar to the marks on silver and gold today. The stamps only showed the quality, not the weight of the metal. Abraham gave Ephron 400 shekels of silver for the field of Machpelah, as they had agreed. However, people say that they are the money used by merchants now. They are accepted by weighing, not by counting, just like gold bars and silver bars are accepted nowadays.

The ancient Saxon kings of England were paid with food and supplies instead of money. William the Conqueror started the tradition of giving people money as payment. For a long time, the money was weighed at the treasury instead of counting it. The trouble of weighing metals precisely led to the creation of coins. The stamp on the coin was meant to show how pure the metal is and how much it weighs. These coins were counted by number, just like we count coins today, without needing to weigh them [12].

The values of those coins seem to have originally shown the amount of metal inside them. During the time of Servius Tullius, money was first created in Rome. The Roman as or pondo was a Roman pound made of good copper. It was split into twelve equal parts, just like our Troyes pound, and each part had a real ounce of good copper in it. The money in England during the time of King Edward I. It had a pound of silver with a known quality. The Tower pound was a little different from the Roman pound and a little smaller than the Troyes pound. This wasn't used in England's mint until the 18th year of Henry the VIII. During Charlemagne's time, the French livre had a pound of silver with a specific purity. The Troyes fair in Champaign was popular with people from all over Europe, and the weights and measures used at the market were well-known and respected.

The Scottish money pound was made of the same amount and quality of silver as the English pound sterling, from Alexander the First to Robert Bruce's time. English, French, and Scots pennies originally had a small amount of silver in them, which was one twentieth of an ounce and one two hundred and fortieth of a pound. The shilling also originally was a weight measurement. In an old law from Henry III, it says that when the price of wheat is twelve

shillings per quarter. Then a small piece of bread will cost a lot - eleven shillings and fourpence. The ratio between the shilling and the penny or pound varied more than the ratio between the penny and the pound. During the first race of the kings of France, the French money called sou or shilling sometimes had five, twelve, twenty, or forty pennies in it.

In the past, the Saxons used to have a shilling that had five pennies in it. It's possible that the number of pennies in a shilling varied among them, just like it did among the ancient Franks. Since the time of Charlemagne in France and William the Conqueror in England, the relative value of the pound, shilling, and penny has stayed the same, but the actual value of each has changed a lot. This is because rulers have been greedy and unfair, and have gradually made coins with less metal than they originally did. This has happened in many countries around the world. During the later years of the Roman Republic, their money became worth much less. Instead of one pound, it was only worth half an ounce.

The English pound and penny are now worth about one-third of their original value. The Scots pound and penny are worth about a thirty-sixth, and the French pound and penny are worth about a sixty-sixth of their original value.

By doing these actions, the princes and sovereign states could seem like they were paying their debts and fulfilling their agreements using less silver than they needed to. It looked like everything was okay, but they actually cheated their creditors out of some of the money they owed. All the people who owed money in the state could also pay their debt with the new and less valuable coins, just like everyone else.

These operations have always been good for the person who owes money, but bad for the person who lent the money. Sometimes they have caused more change in people's lives than a big disaster. In all countries, money is used to buy and sell goods, making it a universal tool for trade. Now I will look at the rules that people follow when they trade things for money or for other things. These rules decide the value of goods when compared to one another.

The real and nominal price of things, or how much they cost in terms of work and how much they cost in money. Every person is either wealthy or not wealthy based on how much they can afford to have the things they need, want, and enjoy in life. Once people have different jobs, only a few of those things can be made by one person. Most of his wealth comes from the work of other people, and he will be rich or poor based on how much of that work he can control or buy. The price of something to someone who owns it and doesn't plan to use it themselves, but wants to trade it for other things, is the same as the amount of work it can buy for them. Labor is the true way to measure the value of things that can be traded.

The true cost of everything, how much effort it takes to get it, is the real price for the person who wants it. The value of something to a person who wants to sell or trade it is how much work it can save for them and how much work it can make other people do. Things that are bought with money or goods are also bought with labor, just like when we work hard with our own bodies to get something. The money or goods save us from working hard. They represent how much work was done, and we trade them for something we think is worth the same amount of work. Work was the first thing people had to do to get what they needed. It was the original payment for everything. The wealth of the world was bought with hard work, not with gold or silver. The value of wealth to those who have it and want to trade it for new things is equal to the amount of work it can help them buy or control.

Riches, like Mr. Hobbes says, is strength. However, just because someone becomes very rich does not mean they also gain any political influence or control. He might be able to buy both things he wants with his money, but just having money doesn't guarantee that he will get them.

Having possession of something gives him the power to buy and control the work or products of work available in the market. His wealth depends on how much control he has over other people's work or the things they make. The value of everything should always be equal to the power it gives to its owner.

Although work is the true way to measure the value of all things you can buy, it's not how we usually think about their value. It is often hard to figure out how much work has been done by comparing two different amounts of work. The amount of time spent on two different types of work will not always be the only factor that determines this ratio. We also need to consider how much people have suffered and how creative they have been in dealing with their problems. Working hard for one hour may require more effort than working lightly for two hours. Similarly, doing a skilled trade that took ten years to learn for one hour may require more effort than working at a simple job for a month. It's hard to accurately measure how difficult something is or how clever someone is. When we trade, we usually give a little bit of what we have in return for what we want. It is not set by an exact measure, but by the buying and selling in the market, based on a rough equality that works well enough for everyday business. Most things are traded or compared with other things more often than with labor. It is more realistic to figure out how much something is worth by comparing it to a different item, rather than the amount of work it can create. Most people understand what it means to have a lot of a certain thing, like a product, more than they understand what it means to have a lot of work. One thing is a simple, physical object that can be seen and touched. The other thing is an idea that is not as easy to understand, even though it can be explained.

But when people stop trading and start using money for buying things, they use money more often than any other commodity to get what they need. The butcher doesn't usually take his meat to the baker or brewer to trade for bread or beer. Instead, he takes it to the market and sells it for money. Then he uses the money to buy bread and beer. The amount of money he gets for them also determines how much bread and beer he can buy later. He finds it easier to measure the value of things in money rather than in other goods like bread or beer. He would rather say his meat is worth a certain amount of money per pound than how much bread or beer its worth. This means that people often think about the value of something in terms of how much money it's worth, rather than how much effort or other things it can be traded for.

CONCLUSION

The way people trade things has changed a lot over time. From trading goods directly to using money, it's an important part of human history and how our economy works. Over time, societies have found better ways to trade and grow their economies, from trading goods directly to using money. This has made trade easier and helped economies grow. Humans have been very clever in finding ways to trade without having to exchange goods directly. They came up with the idea of using a common type of money instead. This made trading a lot easier because people didn't have to find someone who wanted exactly what they had and had what they wanted. It also made it easier because everyone was using the same type of money. Moving from trading goods to using money and then coins made trade easier because everyone had the same thing to trade with. This made trading faster and helped connect different markets. But, there have been problems in the development of money. Countries sometimes lower the value of their money, cause prices to go up, and play around with how much their money is worth. This can make the economy unstable and unfair. However, even with these challenges, currency systems have changed and improved by using things like paper money, central banking systems, and digital currencies to keep up with modern economies.

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CHAPTER 3

ROLE OF LABOUR AS THE ULTIMATE MEASURE OF VALUE IN ECONOMIC EXCHANGE

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ABSTRACT:

The Role of Labour as the Ultimate Measure of Value in Economic Exchange is a fundamental concept that has shaped economic theory and practice throughout history. This abstract explores the intricate relationship between labour and the value of commodities, particularly metals like gold, silver, and copper. It delves into the historical evolution of currency systems, highlighting the role of labour as a stable and reliable measure of value amidst the fluctuating values of commodities. The abstract discusses the impact of factors such as mine discoveries, debasement, government regulations, and market dynamics on the relative values of different metals. It emphasizes the importance of labour as the ultimate standard for assessing value in economic exchanges, offering a nuanced understanding of the complexities involved in determining exchange values. Overall, the abstract provides insight into the enduring significance of labour in shaping economic transactions and the broader functioning of market economies.

KEYWORDS:

Exchange, Goods, Market, Money, Trade, Transaction.

INTRODUCTION

Gold and silver, like everything else, can be cheaper or more expensive at different times. Sometimes they are easy to buy and other times it's harder. The amount of work one can buy with a certain amount of goods, or the amount of other goods it can be traded for, always depends on how much of the goods are available from the mines at that time. In the 16th century, when people found a lot of gold and silver mines in America, the value of gold and silver in Europe dropped to about a third of what it used to be. Bringing metals from the mine to the market was easier and cheaper. As a result, they could buy or control less labor when they got to the market. This change in their value was a big deal, but it's not the only one that history tells us about. Just like a foot or handful can change in size and not be a good measure of other things, a product whose value keeps changing can't be a good measure of the value of other products.

The same amount of work is always worth the same to the worker, no matter where or when it is done. When he is usually healthy and strong, and feeling normal; using his usual skills and abilities, he has to give up some of his comfort, freedom, and happiness.

He must always pay the same price, no matter how much stuff he gets in return. Sometimes it can buy more and sometimes it can buy less, but it's the price that changes, not the amount of work needed to buy them. Always and everywhere, things that are hard to get or require a lot of work are valuable. Things that are easy to get or require little work are not as valuable.

The value of all things can be measured by how much work went into making them. The real price is what they actually cost, while the nominal price is just the amount of money they're called [1], [2]. The worker always thinks that the same amount of work is worth the same, but the employer may think it is worth more or less at different times. Sometimes he buys them

with more, and sometimes with less, stuff, and to him the cost of work seems to change like everything else. He thinks it is valuable in one situation and not valuable in the other. Actually, one thing costs less in one situation and more in another.

In simple terms, labor and goods both have a real cost and a price that is just in name. The true value of something is based on how much food, clothing, and other things it can buy. The advertised price is based on how much money it costs. The worker's wealth and rewards depend on the actual, not the apparent, value of their work [3], [4].

The difference between the actual and advertised cost of items and work is not just a thing to think about, but can be helpful in real life. The price that stays the same in actual money is always worth the same. But because the value of gold and silver can change, the price that is given in name only can be worth very different amounts at different times. When a property is sold but the new owner has to pay rent forever, it's important for the family receiving the rent to make sure it doesn't have to be the same amount of money each time. The value of the coin could change for two reasons: 1. because the amount of gold and silver in it can change. 2. Because the value of gold and silver can change. Kings and countries have often thought that they should have less valuable metal in their coins. But they rarely thought of having more valuable metal in their coins. The amount of metal in coins from all countries has been decreasing most of the time and hardly ever increasing. These changes almost always make the money rent worth less. The finding of mines in America made gold and silver less valuable in Europe. Many people believe that this decrease is still happening slowly, and will probably continue for a long time. However, I don't think there is any definite proof of this. So, if we assume this, then changes in the value of money are more likely to make a rent payment smaller instead of larger. This is true even if the rent is specified to be paid in a certain amount of silver instead of a specific type or amount of coins [5], [6].

The cost of renting in corn has stayed more stable compared to renting in money, even if the type of coin used hasn't changed. According to the law made by Queen Elizabeth in the 18th century, one third of the rent for college leases had to be paid in corn, either as actual corn or based on the prices at the closest market. The money made from renting out the corn fields used to be one third of the total amount, but now it's more according to Blackstone usually makes about twice as much money as the other two-thirds. The rent money that colleges used to get has dropped to about a quarter of what it used to be, or is only worth about a quarter of the amount of corn it used to be worth. Since Philip and Mary were in charge, the English coins have stayed the same. The amount of pure silver in pounds, shillings, and pence has not changed much. The decrease in the money colleges get from their rents is because the price of silver has gone down. When the value of silver goes down and there is less of it in the coin, people can lose even more money. In Scotland, the value of coins has changed a lot, more than in England and France. As a result, some old rents that used to be worth a lot of money are now almost worthless.

The same amount of work will be able to buy about the same amount of food in the future as it does now, compared to other things like gold and silver. The same amount of corn will have the same value over time and will allow the owner to buy the same amount of other people's work. I think they will do this better than almost any other thing. Even the same amount of corn won't do it perfectly. The amount of money a worker needs to live varies in different situations. In a society that is getting richer, workers need more money to live than in a society that is not getting richer. And in a society that is not getting richer, workers need more money to live than in a society that is getting poorer. Other things can buy more or less work depending on how much food they can buy at that time. The amount of rent paid in crops can change based on how much work it takes to buy a certain amount of crops. However, if the rent is paid

in a different type of goods, it can change not only based on how much labor is needed to buy a certain amount of corn, but also on how much corn can be bought with a specific amount of that other goods [7], [8].

DISCUSSION

The value of renting corn stays more consistent over many years, but changes a lot from year to year. The cost of labor does not change every year with the cost of food. It seems to be based on the average cost of food rather than the temporary or occasional cost. The regular price of corn is determined by the value of silver, the productivity of the mines that supply the market with silver, and the amount of work and corn needed to bring silver from the mine to the market. The price of silver doesn't change much each year, but it can change a lot over many years. Sometimes it stays the same for 50 or 100 years. The regular price of corn and the cost of labor may stay the same for a long time if society remains mostly unchanged. Sometimes, the price of corn can be twice as much as it was the year before, or change from 25 to 50 shillings per quarter. However, when the price of corn is higher, the value of a corn rent will also be higher, and will be able to buy double the amount of labor or other goods. The price of labor and other things will remain the same during these changes.

Work is the only way to see how valuable things are. It's the only standard we can use to compare the value of different things, no matter when or where. We can't know for sure how much things were worth in the past by looking at how much silver was used to buy them. We can't predict it each year by how much corn is grown. By looking at how much work is done, we can figure out how much work was done in different time periods. Throughout the years, corn is a better way to measure value than silver. This is because over time, the same amount of corn will be able to buy the same amount of work more accurately than the same amount of silver. Every year, silver is better than corn as a measure because the same amount of silver can buy the same amount of labor. However, when it comes to buying and selling things in everyday life, it doesn't matter if you consider the real or nominal price. It only matters when setting up long-term rental agreements or leases. At the same time and place, the actual and advertised prices of all goods are equal to each other. The amount of money you get for something in the London market determines how much work it can buy at that time and place. Money shows how much all things are worth when you exchange them at the same time and place. Yes, but only at the same time and place [9], [10].

When goods are bought and sold in different places, the prices can be different. But the merchant only needs to think about how much money he paid for the goods and how much he can sell them for. In China, a little bit of silver can buy more things and get more work done than a little bit of silver in London. A thing that costs half an ounce of silver in Canton might be more valuable to someone there than something that costs an ounce in London is to someone in London. If a merchant in London can buy something in Canton for a little bit of money and then sell it in London for a lot of money, they make a big profit. Both London and Canton value an ounce of silver the same in this deal. He doesn't care that he could get more stuff in China with less silver than he could in London. In London, having an ounce will let him get twice as much as he could have with half an ounce. This is exactly what he needs. The price of goods, also known as the nominal price, is what decides whether buying or selling something is a good idea. This price determines most of our everyday decisions involving money. It's no surprise that people focus more on it than the real price.

In this kind of work, it can be helpful to compare the actual prices of a specific item at different times and places, or the different levels of control over other people's work that it may have given to those who had it. In this situation, we need to compare the amounts of silver and how

much work each amount could buy, instead of just comparing the prices of silver. But it's hard to know for sure how much people are paid for work in different times and places. The history of corn is not well documented in some places, but overall, it is well known and has been written about by historians and other writers. So, we usually have to be okay with these numbers, even if they're not always exactly the same as the current labor prices. They're the closest estimate we can usually get. I will need to make more comparisons like this in the future.

In industry, countries have found it helpful to make different metals into money. They use gold for big payments, silver for medium purchases, and copper or other cheap metals for smaller expenses. They think of one of these metals as the most important for measuring value, and usually choose the first metal they used for trading. Once people started using it as their main money, they kept using it even when they didn't have to.

The Romans only had copper coins until just before the first Punic war, when they started making silver coins. Copper has always been used as the measure of value in that country. In Rome, they kept track of all the money and property in either small coins or larger coins. The "as" was a type of copper coin. The word sestertius means two and a half coins called asses. The sestertius was first made of silver, but its worth was measured in copper. In Rome, if someone owed a lot of money, they were said to have a lot of other people's copper.

The countries in the north that started after the fall of the Roman Empire, started using silver coins right away. It took them a long time to start using gold or copper coins. During the time of the Saxons, there were silver coins in England. But they didn't start making a lot of gold coins until Edward III's time, and they didn't make any copper coins until James I's time. Of Great Britain. Rewritten: of the country Great Britain. In England and other European countries, people keep track of their money and possessions in silver. When we talk about how much someone is worth, we usually mention the amount in pounds sterling, not in guineas [11], [12].

In the past, it was expected that people could only use a specific type of metal coin as payment, which was considered the standard for measuring value, in every country. In England, people couldn't use gold as money for a long time, even after it was made into coins. The government did not set a specific ratio for how much gold was worth compared to silver. Instead, it was determined by the buying and selling of gold and silver in the market. If someone owed money and wanted to pay in gold, the person they owed money to could say no, or they could agree on how much the gold is worth and accept it as payment. Copper is not currently considered a valid form of money, except for small silver coins.

In this situation, it was more than just a name that set apart the metal that was the standard from the one that wasn't. Over time, as people got more used to using different metals for coins, they started to understand how much each metal was worth. In most countries, they made a law to say that a certain amount of one metal could be traded for a certain amount of another metal, or could be used to pay a debt. In this situation, when things are like this, and as long as there is a set amount that is controlled, the difference between the metal that is the standard and the one that is not the standard is just a small difference in name. As a result of any change, however, in this controlled proportion, this difference becomes, or at least appears to become, more than just a name again. If the value of a guinea was changed to either twenty or twenty-two shillings, most payments could still be made with the same amount of silver money as before. But it would take more gold money in one case and less in the other. Silver is more likely to keep its value than gold. Silver seems to determine how much gold is worth, but gold does not seem to determine how much silver is worth. The price of gold depends on how much

silver it can be traded for, and the price of silver does not depend on how much gold it can be traded for. This change is all because of how people keep track of money and prefer to use silver instead of gold. Drummond's note for 25 or 50 guineas would still be paid with 25 or 50 guineas, just like before, if it's changed in this way. After the change, it would still be paid with the same amount of gold, but with different amounts of silver. Paying with gold seems to keep its value better than paying with silver. Gold determines how much silver is worth, but silver does not determine how much gold is worth. If more people start keeping track of their money and debts this way, then gold, not silver, would be seen as the most important metal for determining the value of things.

Actually, when the values of different metals in a coin are set at a certain ratio, the value of the most precious metal determines the value of the entire coin. Twelve copper pennies make up half a pound of copper. This copper is not very good quality and is usually worth seven pence in silver before it's turned into coins. However, because the rule says that twelve of these small coins can be exchanged for one larger coin, they are seen as being worth the same as the larger coin in the market, and you can always exchange them for the larger coin. Before the gold coin of Great Britain was reformed, the gold that was used in London and nearby areas was usually of better quality in terms of weight compared to most of the silver. Twenty-one old and damaged shillings were thought of as being worth the same as a guinea, which might also be old and damaged, but usually not as much.

The new rules have made the gold coin almost the right weight. It's as close as any country's money can get to the correct weight. And as long as people can only get gold at government offices by weighing it, the gold coin should stay the right weight. The silver coin is still old and worn out, just like it was before it was changed. In the market, people still consider twenty-one shillings of the bad silver coin to be worth the same as a guinea of the good gold coin. The change in the gold coin has made the silver coin worth more when exchanged for it.

In the English mint, a pound of gold is made into forty-four and a half guineas, which are worth forty-six pounds, fourteen shillings and sixpence. One ounce of this gold coin is worth three pounds, seventeen shillings, ten and a half pence in silver. In England, when you take a pound or an ounce of gold to the mint, you get back the same amount in coins without paying any fees. In England, three pounds, seventeen shillings, tenpence and half a penny is the amount of money the mint pays for one ounce of gold. This is called the mint price of gold.

At the English mint, they turn a pound of silver into sixty-two shillings. Each shilling has the same amount of silver as the pound. In England, the mint price of silver is five shillings and twopence for one ounce. This is the amount of silver coin you get from the mint in exchange for standard silver bullion. Before they changed the gold coin, the price of silver was five shillings and fourpence, five shillings and fivepence, five shillings and sixpence, five shillings and sevenpence, and often five shillings and eightpence per ounce.

The most common price seems to have been five shillings and sevenpence. Ever since the gold coin was changed, the price of standard silver bullion has sometimes dropped to five shillings and three pence, five shillings and fourpence, and five shillings and fivepence per ounce. It has hardly ever gone higher than five shillings and fivepence. Even though the price of silver has dropped a lot after gold coins were reformed, it is still not as low as the price set by the mint.

In English coins, copper is valued higher than it should be, and silver is also valued more than it's really worth. In Europe, one ounce of gold can be exchanged for about fourteen ounces of silver in France and the Netherlands. The English coin is worth more in silver than it is commonly thought in Europe. It's equal to about fifteen ounces when exchanged. However, the price of copper bars in England is not affected by the high price of copper in English coins.

Similarly, the price of silver in bullion is not affected by the low rate of silver in English coins. Silver in its pure form still has the right amount compared to gold. This is because copper in bars also keeps the right amount compared to silver.

During the time of William III, even after the silver coin was changed, the price of silver was still a little higher than what the mint said it should be. Locke said the high price was because people were allowed to send silver abroad and silver coins were not allowed to be sent out of the country. He said that allowing export made people want silver bars more than silver coins. However, there are many more people who want to use silver coins for buying and selling at home than those who want silver bars for exporting or other purposes. Currently, it is allowed to export gold bars but not gold coins. Even so, the price of gold bars has fallen below the official price set by the government. However, in English coins, silver was undervalued compared to gold, just like now. The value of the whole coin was determined by the gold coin, both then and now. Changing the silver coin back then didn't make the price of silver go down, so it's not likely that doing the same thing now will work either. If the silver coin is made closer to its usual weight, then a guinea coin could exchange for more silver than it could buy as raw metal. The silver coin has its full weight, so it can be melted down to make a profit by selling the silver for gold, and then exchanging the gold back for silver to melt down again. Changing the current ratio seems to be the only way to stop this problem.

The problem might be less if silver was valued more compared to gold in coins, as long as it was also made a rule that silver can only be used for small amounts, like copper for small amounts of money. No lender can be tricked because silver is worth a lot in coins, just like no lender can be tricked because copper is worth a lot. This rule would only hurt the bankers. When they can't pay right away, they try to delay by giving small amounts of money. This rule would stop them from using this trick. They would have to keep more money in their pockets all the time, which might be inconvenient for them, but it would also protect the people they owe money to.

Three pounds, seventeen shillings, and ten pence and a halfpenny definitely do not have more than an ounce of gold in our current gold coins. So, it might not be able to buy more gold bullion. Gold in the form of coins is easier to use than gold in the form of bars. In England, people can take their gold bars to the mint to turn them into coins, but they usually have to wait a few weeks to get them back. Right now, the mint is too busy to return it for a few months. This wait is like a little tax and makes gold coins worth more than the same amount of gold in bars. If the amount of silver in English coins was properly valued compared to gold, the price of silver would likely decrease even without changing the silver coins. The value of old and worn silver coins is determined by the value of the good gold coins they can be exchanged for.

A small fee on making coins from gold and silver would likely make people want to use those metals for coins even more than they already do. The adding of a small duty on the coins would make the metal in the coins more valuable, just like how a fashionable design makes jewelry more valuable. Coins are better than bullion because they are less likely to be melted down and sent out of the country. If there is ever a need to send money abroad, most of it will come back on its own. In other countries, it could only be sold for the value of the metal. At home, you can buy more than that amount. It would be a good idea to bring it back home because we would make money. In France, a profit of around eight percent. Taxes are added to the making of the coins, and when French coins are sent out of the country, they are said to come back on their own.

The ups and downs in the price of gold and silver happen for the same reasons as other things we buy and sell. People often lose these metals in accidents on land and at sea. They also use

them up when they make things look shiny and when they decorate with them. And they wear them out when they use them for money and fancy dishes. So, countries that don't have their own mines need to keep bringing in more of these metals to make up for what they lose and use up. The business people who bring goods into the country, just like all other business people, try their best to bring in items that they think people will want to buy. However, despite being focused, they may sometimes do too much or too little in the business. When they bring in more gold or silver than they need, instead of sending it back, they might be willing to sell some of it at a lower price than usual. However, if they import less than what is needed, they will receive something extra at a higher price. When the price of gold or silver stays higher or lower than the mint price for many years, it means there is something affecting the value of the coin compared to the actual value of the metal it should contain. The effect will always be the same if the cause remains the same.

The money in a country is a good measure of value if it is made exactly according to the standard with the right amount of gold or silver. In England, if a certain amount of gold in coins equals one pound of gold, then those coins would be a good way to measure the value of things at that time and place. If after using and rubbing, forty-four guineas and a half usually have less than a pound of gold in them, the value becomes uncertain just like other weights and measurements. It doesn't often happen that the weights and measures are accurate, so the merchant changes the price of his goods to match what they actually are, rather than what they should be. Because the coins are not always made with the correct amount of gold or silver, the price of goods is adjusted based on the average amount of metal found in the coins, rather than the amount they are supposed to contain. I mean the amount of gold or silver that something is sold for, without considering the type of coins used. Six shillings and eight pence in the time of King Edward I is like having a pound today because they both have the same amount of pure silver.

CONCLUSION

Labour is very important in deciding how much things are worth in trade. This has been true for a long time and is still really important today. Even though the prices of gold, silver, and copper go up and down because of things like finding new mines and government rules, the value of labor has stayed steady and dependable. This idea has a big impact on how we understand buying and selling things and the money we use. By understanding that the work people do determines value, economists and policymakers can understand how market economies work. Work is used to measure how much things are worth, so we can compare them to each other. Furthermore, knowing about work can help us understand how money works and how coins have changed over time. It can also help us understand how metal standards are controlled. In summary, the idea that work is the most important way to measure value is a basic way to study how economic transactions and market changes work. It shows how hard work and the value of things are connected. It emphasizes how important work is in shaping how the economy works and how things are traded.

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CHAPTER 4

EXPLORING ECONOMIC THEORY AND MARKET DYNAMICS: NATURAL AND MARKET PRICE OF COMMODITIES

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ABSTRACT:

The concept of natural and market prices of commodities is fundamental to understanding economic theory and market dynamics. Natural price refers to the cost of production, including factors such as wages, raw materials, and capital investment. It reflects the long-term equilibrium between supply and demand, where producers earn a normal profit. In contrast, market price is determined by the interaction of supply and demand in real-time trading conditions. It fluctuates based on factors such as consumer preferences, technological advancements, and external shocks like changes in government policy or natural disasters. This abstract explores the distinction between natural and market prices, highlighting their roles in economic analysis and decision-making. Understanding these concepts provides insights into pricing mechanisms, market efficiency, and the allocation of resources in diverse economic systems.

KEYWORDS:

Agriculture, Commodities, Demand, Economics, Market, Price.

INTRODUCTION

In the beginning of society, before people had a lot of things and land, the amount of work needed to get different things was the only way to decide how to trade them. In a group of hunters, if it takes double the effort to catch a beaver compared to a deer, then one beaver should be worth two deer when trading. It's normal to expect something that takes two days or two hours to make to be worth twice as much as something that takes one day or one hour to make. If one type of work is harder than the other, the people doing that work will get extra pay. And the amount of goods produced in one hour of hard work may be worth the same as two hours of easier work. If a certain type of work needs a lot of skill and creativity, people will think highly of it and the things produced will be worth more than usual. It is rare to have these talents without lots of practice, and what they can make might only be a fair pay for all the hard work put into learning them. In advanced societies, people often get paid more for their difficult work and for having special skills. This probably happened in the earliest times of society too. In this situation, everything a worker makes belongs to the worker. The amount of work needed to make a product is the only thing that determines how much work it can buy or exchange [1], [2].

Once some people have a lot of stuff to sell, they will hire other people to work for them and make things. They will give them what they need to work, like materials and food, and then sell what they make to make money. When someone makes and sells something, they need to make extra money for themselves on top of paying for materials and workers. This is to make a profit for taking the risk of starting the business. The workers add value to the materials in two ways: their wages and their employer's profits from the materials and wages they use. He wouldn't want to hire them unless he thought he could make more money from their work than he spent on supplies. And he wouldn't want to use a lot of supplies unless he could make a lot of money from the work.

Stock profits are like the wages for the work of overseeing and managing. However, they are completely different, are controlled by very different rules, and do not correspond to the amount, difficulty, or creativity of this supposed job of supervision and guidance. They are controlled by the amount of stock used, and are either higher or lower depending on how much stock is used. Let's say, for example, that in a specific location, the usual yearly earnings from making goods are ten percent. There are two different companies, each with twenty workers. Each worker is paid fifteen pounds a year, so the total cost for each company is three hundred pounds a year. Let's say that the rough materials used in one place cost \$700 each year, while the better materials in the other place cost \$7,000. The first one uses only 1000 pounds every year, but the other one uses 7300 pounds every year.

At a rate of ten percent. So, the person taking care of the first thing will make about 100 pounds each year. But the person taking care of the other thing will make about 730 pounds each year. However, even though their profits are very different, the work they do to inspect and manage may be the same or very similar. In a lot of important projects, most of the work like this is done by a main clerk. His salary accurately shows how much his work of checking and directing is worth. Although some consideration is given to the work and expertise of the person managing the capital, it does not always match the amount of capital they are overseeing. The owner of the capital still expects to make a profit that matches the amount of capital they have invested, even if they are not doing much work themselves. The money made from selling goods includes profits from owning stock and it's not the same as the money paid to workers. These profits are controlled by different rules [3], [4].

In this situation, the worker does not always get all the things they produce from their work. Usually, he has to share it with the owner of the stock that hires him. The amount of work put into making something doesn't always determine its value or how much it can be traded for. It is clear that the company's profits will increase because they provided the money and materials for the workers. Once all the land in a country is owned by people, the landlords want to make money from it, even if they didn't work on it themselves. They want to charge rent for the natural things that grow on the land. The trees, the grass, and the fruits that used to be free in the forest and fields now have a price on them, even for the people who used to gather them for free. He has to pay for permission to gather the things, and give some of what he collects or makes to the landlord. This part, or the price of this part, is the rent of land. It also makes up a third of the price of most goods.

The worth of each part of the price depends on how much work it can buy. Labor tells us how much something is worth, not just the part of the price that comes from workers' effort, but also the part that comes from rent and profit [5], [6].

DISCUSSION

In any society, the cost of everything eventually comes down to one or more of these three things: land, labor, or capital. In more advanced societies, all three are involved in the cost of most things. The cost of corn includes paying the landlord, the workers, and the farmer's profit. These three parts look like they make up the entire cost of corn, either right away or in the end. Maybe about 25% of the farmer's income is needed to buy new equipment or replace worn-out tools and animals used for farming. However, we need to remember that the cost of any farming tool, like a work horse, includes three main parts: the cost of the land where the horse was raised, the cost of taking care of and raising the horse, and the profit for the farmer who pays for the land and the labor. The cost of corn and the upkeep of a horse all come down to three main parts: rent, labor, and profit. We need to include the cost of corn, the miller's profits and his workers' wages in the price of flour or meal. And for bread, we need to add the baker's

profits and his workers' wages. Also, we need to consider the cost of transporting the corn from the farmer to the miller, and from the miller to the baker, along with the profits of those who pay for this transportation.

The price of flax is made up of the same three parts as the price of corn. We need to include the wages of the people who work with the flax, spin it, weave it, and bleach it when determining the price of linen. Along with the money their bosses make. As more of a product is made, the money paid to workers and business owners becomes a bigger part of the price compared to the money paid for using the land or space to make the product. As the manufacturing process continues, the profits increase and each profit is higher than the one before because the capital used is always growing. The money needed to employ weavers is more than the money needed to employ spinners. This is because it not only replaces the original capital, but it also pays the weavers' wages and profits need to be proportional to the capital [7], [8].

In the best societies, there are only a few things where the price is made up of only the money paid to workers and the money made as profit. And there are even fewer things where the price is made up only of the money paid to workers. The cost of sea-fish includes paying the fisherman for their work and also paying the profits to the people who invested money in the fishery. Rent is rarely a factor, but sometimes it can be, as I will explain later. In most of Europe, the situation is different for fishing in rivers. A salmon fishery has to pay a fee, and this fee is included in the price of salmon, along with other costs and profits. In some places in Scotland, some poor people collect small colored stones called Scotch pebbles from the seashore and sell them. The stone-cutter pays them for their work, and they don't get any rent or profit from it.

The total cost of a product is divided into three parts: paying for the land, paying for all the work done to make the product, and the rest is profit. The value of everything we can buy comes from three main things: how much someone worked on it, how much profit someone wants to make, and how much it costs to use the land it was made on. This is true for every single thing, and for all the things made in a country altogether, too. And the money made from selling all those things gets split up between the people who worked on them, the people who own the businesses, and the people who own the land they were made on. Every year, everything that is made or earned by the work of a society is shared among its members. Wages, profit, and rent are the three main ways to make money and determine the value of things that can be traded. All the money we make comes from one of these sources [9], [10].

If someone makes money from something they own, they get it from working, their investments, or their property. Money earned from working is called wages. Money earned from investing in a business is called profit for the person who runs the business. And for the person who lends money to others, the money earned is called interest or the use of money. Interest is the money the borrower pays to the lender for being able to use the borrowed money to make a profit. Some of the profit belongs to the person who borrows the money and takes the risk to use it, and some belongs to the person who lends the money and gives them the chance to make a profit. Earning money from interest always comes from the profit made by using the money. If not, then the money has to come from somewhere else, unless the borrower gets into more debt to pay the interest. The money that comes from land is called rent and belongs to the landlord. The farmer makes money from working on the farm and from owning animals and equipment. To him, land is just a tool that helps him make money from his work and investments. All the money the government gets from taxes, and all the money people get from their jobs, investments, and property, comes from three main places: workers, business owners, and landowners. People get paid from these sources either directly or indirectly.

When three types of money go to different people, it's easy to tell them apart. But when one person gets all three, people sometimes mix them up, especially when they talk casually [11], [12]. A man who has his own farm should make money from renting out the land and selling the crops after paying for farming costs. He tends to call all his earnings "profit," mixing up rent and profit when talking in everyday language. Most of the planters in North America and the West Indies are in this situation. They usually farm their own land, so we don't often hear about them paying rent for a plantation, but we do hear about the money they make from it. Most regular farmers do not hire anyone to manage the work on their farm. They also spend a lot of time working with their hands, like plowing and using a harrow. What is left of the crop, after paying the rent, should not only cover their costs and make a profit, but also pay them for their work as laborers and supervisors. Profit is what is left after paying for rent and inventory. But salaries are definitely part of it. The farmer will benefit from saving his wages. So in this situation, wages are mixed up with profit. A manufacturer who works on his own and has enough materials and money to support himself until he sells his products can make both the wages of a worker and the profit of a master. His income is usually called profit, and in this case, wages are also considered as profit.

A gardener who plants and takes care of his own garden is like a landlord, a farmer, and a worker all in one. So, he should earn money from his crops to cover the cost of land, make a profit, and pay his workers. Usually, people think of the entire amount as the money he earned from working. In this case, wages are mixed up with rent and profit. In a country where people are organized and live together peacefully, most things we buy and sell have value because of more than just the work put into them. The money made from rent and profit plays a big part in that value. This means that the amount of things we can buy with the money made from our work will always be enough to get a lot more work done than what it took to make those things in the first place. If society were to use all the labor it can buy every year, the amount of goods produced each year would be much more valuable than the year before because more and more labor would be available. However, in no country is all the money made in a year used to support the hardworking people. People who don't work use a lot of it. The amount of it given to different groups of people can change each year. This can make its value go up, down, or stay the same from year to year.

The regular and fair price of goods

In every society or neighborhood, there is a normal rate of wages and profit for different kinds of work. This rate is naturally controlled, as I will explain later, partly by the overall situation of the society, their wealth or lack of it, their progress, stability, or decline, and partly by the specific nature of each job. In every community, there is a typical amount of rent that people pay for land. This amount is decided by the overall characteristics of the community and the quality of the land. These regular rates could be considered the usual wages, profit, and rent at a specific time and place. When the price of something covers the cost of land, labor, and production, it is sold for its natural price.

The item is sold for exactly the amount it's worth, or the amount it truly costs the person who sells it. If the seller doesn't make a profit, then they are losing out on the trade. They could have made more money by using their money in a different way. His earnings are also his income, which is the money he needs to support himself. While he is getting the goods ready to sell, he pays his workers and himself. This money is like an advance on the profit he expects to make from selling the goods. If they don't make him money, then they don't give back what they actually cost. Even though the price may not always be the cheapest, it is the lowest price that the seller is likely to sell the goods for a while, especially when there is freedom to trade or switch to a different business.

The price that most people usually pay for something is called its market price. It could be higher, lower, or the same as the regular price. The price of a product is determined by how much of it is available and how many people want to buy it at its normal price. This includes the cost of rent, labor, and profit needed to bring the product to market. These people can be called the effective buyers, and their request is the effective demand, because it is enough to bring the product to the market. It is not the same as the total demand. A very poor man might want a fancy coach and six horses, but he can't really demand it because he can't afford it and it's not available for him to buy.

When there isn't enough of a product to satisfy the demand, people who are willing to pay for the costs of bringing it to market are not able to get as much as they need. Some people might be okay with giving extra instead of keeping it all. A competition will start among them and the price will go up above the normal price, depending on how much the competitors want it and how much they are willing to pay. When people have the same amount of money and nice things, they will compete more or less depending on how much they want the thing they're competing for. So, the cost of basic things like food and water is very high when a town is blocked off or during a food shortage.

When there is too much of a product for sale, not everyone who wants to buy it can afford to pay the full price needed to cover the costs of producing it. Some things need to be sold to people who can't pay a lot. The low price they pay will make the overall price lower. The price in the market will go down depending on how much competition there is among sellers and how urgently they need to sell their product. Importing too many perishable items will cause more competition than importing durable items. For example, there will be more competition in importing oranges than importing old iron.

When the amount of a product sold is just enough to meet the demand, the market price will be close to the natural price. We can sell all the items we have for this price, and we can't sell them for more. The competition between dealers makes them all agree to this price, but they don't have to agree to a lower price. The amount of goods that are brought to market matches the amount that people want to buy. Everyone who uses their land, work, or money to sell something wants to make sure they only sell as much as people want to buy. And everyone else wants to make sure there's always enough of that product to buy.

If there is more demand than supply, some parts of the price must be paid at their usual rate. If the rent is too high, the landlords will take back some of their land. If the wages or profit are too low, the workers and employers will stop working in that job. The amount of product being sold will soon only be enough to meet the demand. The cost of all the parts will go up to their normal amount, and the total cost will go up to its normal amount. If there isn't enough of a product for everyone who wants it, the price of some parts may go up. If someone is willing to pay for it, other landlords will want to create more land for it. If it's a job or money, other workers and sellers will want to hire more people and invest in making and selling it. The amount of stuff that is brought there will soon be enough to meet the demand. The different parts of the price will soon go down to their normal rate, and the whole price will go down to its normal price. The natural price is like the middle price that all prices of things are always moving towards. Various accidents can cause them to be held up a lot higher than normal, and sometimes they may be forced down even a little bit. No matter what's stopping them, they are always moving towards this place of peace and staying there. Every year, the amount of effort put into producing and selling a product matches the amount of demand for that product. It tries to bring just the right amount to meet the demand, without bringing too much.

However, in certain jobs, working the same amount can result in different amounts of goods in different years. In other jobs, the result is always the same or almost the same. The same amount of workers in farming will make a lot of crops like corn, wine, oil, and hops in different amounts each year. However, the same amount of spinners or weavers will make about the same amount of linen and wool cloth every year. Only the typical amount of goods produced by one type of industry can meet the demand well. Sometimes there will be too much or too little of these goods in the market compared to what people want. The price of goods can change a lot even if demand stays the same. Sometimes the price will go down a lot and other times it will go up a lot. In other types of industries, when the same amount of work is done, the amount of goods produced is usually the same. This makes it easier to match the goods with what people want to buy. As long as people keep wanting the same things, the prices for those things will probably stay the same.

They will be close to what they are actually worth. The cost of linen and wool cloth doesn't change as often or as much as the cost of corn. People know this from their own experiences. The price of one type of product changes only when people want it more or less. The price of the other type changes not only when people want it more or less, but also when there is a lot or a little of it available to buy. Sometimes the price of things goes up and down, and this mostly affects the cost of paying workers and making a profit. The part of the money that is used for paying rent is not as impacted by them. Paying a set amount of money for rent doesn't change, no matter what happens with the money. The amount of rent can change because of price changes, but it doesn't usually change how often it is paid. The landlord and farmer try their best to agree on a fair rent that reflects the usual price of crops, not just the price at the moment.

These changes can impact how much money you make, either from your job or from investments, depending on whether there's too much or too little stuff for sale or too many or too few people available to work. Public mourning makes black cloth more expensive and increases the profits of the merchants who have a lot of it. It doesn't change how much money the weavers get paid. The market has too few goods and too many workers. There is not enough work being done and too much work waiting to be done. It increases the pay of tailors who are not yet experts. There are not enough workers in the market right now. Many people need to work more, but there are not enough jobs available. It lowers the price of colorful silk and cloth, which reduces the profits of the merchants who have a lot of them in stock. The workers who make these items will also lose their pay if no one wants to buy them for six months or maybe even a year. The market has too many things to sell and too many people looking for work.

However, even though the price of every item tends to move towards a certain natural price, external factors like accidents, natural events, or government regulations can sometimes keep the market price higher than the natural price for a long time. When people want something a lot and are willing to pay more for it, the people selling it will often try to hide the fact that the price has gone up. If people knew about it, a lot of new competitors would try to make the same profit, which would make the market price go down. If the market is far away from where people live and bring things to sell, they can keep their profits for a long time without anyone else competing with them. However, it should be recognized that secrets like these are rarely kept for long, and the huge profits from them won't last much longer once they are kept.

Information in manufacturing can be kept secret for a longer time than information in trading. A dyer found a way to make a color using cheaper materials. If he is careful, he can benefit from this discovery his whole life and pass it on to his children. He makes a lot of money because people are willing to pay a lot for his work. They are mainly about the high pay for

that work. However, since they appear all over his business and make up a large part of it, they are usually seen as unusual profits. The increase in price is caused by certain unexpected events, which can last a long time.

Some plants need very specific soil and environment to grow well. In a big country, there might not be enough suitable land to grow these plants to meet the demand. All the things for sale can be bought by people who can pay more than just the cost of making and bringing them to the market. This includes the cost of the land, the workers, and the equipment used to make the things. These products may still be sold for a very long time at a high price. The part of the price that goes to the landowner as rent is usually higher than it should be. The price to use the land that grows special and valuable crops, like some vineyards in France with really good soil and location, is not the same as the price for other land nearby that is just as good for farming. The money earned by workers and the profits made by the people who invest in bringing goods to market usually stay about the same compared to other jobs in the area. The increase in market price is caused by natural reasons, which can prevent the demand from being fully met and might continue to happen forever. Giving one person or a company the power to control a specific industry has the same impact as keeping a trade secret. The monopolists make sure there is not enough of their products in the market, so they can sell them for a lot of money. This allows them to make a lot of profit, more than normal.

The cost of having a monopoly is always the most expensive. The natural price is the lowest price that can be taken when there is free competition for a long time. The first price is the most that buyers are willing to pay, and the second price is the lowest that sellers can accept and still make a profit. The special benefits that companies have, the rules for apprentices, and the laws that limit the number of people who can work in certain jobs, all have the same effect, though not as much. They are like big monopolies and can often keep prices of certain things higher than they should be for a long time. They also keep wages and profits higher than they should be.

CONCLUSION

During this study, we see that both the prices set by nature and the prices set by markets are very important for making decisions in economics. By knowing these ideas, economists and policymakers can make smart choices about how resources are used, how things are priced, and how well the market works. Furthermore, the way natural and market prices work together shows how complicated economic systems are, and it reminds us that we need to be flexible and come up with different plans when the market changes. Stakeholders need to keep changing and improving how they do things to make sure commodity markets run smoothly and efficiently. This might mean following rules, using new technology, or making changes to how things are made. Basically, studying natural and market prices helps we understand how economies work. It shows us how prices are set, resources are used, and how supply and demand work together. As people do business in different countries, it's important to understand these ideas in order to help the economy grow and be successful.

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CHAPTER 5

EXAMINING THE WAGES OF LABOUR: A REVIEW STUDY

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ABSTRACT:

The concept of wages of labor occupies a central position in economic theory and practice, serving as a key determinant of living standards, income distribution, and economic welfare. This abstract explores the multifaceted nature of wages, encompassing factors such as labor productivity, skills, market conditions, and social policies. Wages are fundamentally linked to the productivity of labor, reflecting the value generated by workers in the production process. However, various factors, including technological advancements, globalization, and labor market dynamics, influence the bargaining power of workers and the determination of wage levels. Moreover, the distribution of wages across different sectors, occupations, and demographic groups underscores the role of social and institutional factors in shaping income inequality and economic opportunity. Policies aimed at enhancing educational attainment, promoting labor market flexibility, and ensuring social protection can significantly impact wage outcomes and socioeconomic outcomes.

KEYWORDS:

Compensation, Labor, Payment, Salary, Unemployment, Wage.

INTRODUCTION

The price of a product in the market can be higher or lower than its usual price, but it usually doesn't stay that way for very long. If people are not paid enough for their work, they will stop doing it, and there will be a shortage of goods available to buy.

The price of the product would go up to its normal level if there was no restrictions on trade. The rules for apprenticeships and corporation laws can raise wages for workers when business is good, but can also lower those when business declines. In one situation, they don't let many people work, and in the other situation, they don't let him work in many jobs. These regulations don't have a long-lasting effect on lowering the worker's pay, but they can raise the pay higher than it should be. Their work can continue for many centuries if done in one way, but in the other way, it may only last as long as the lives of the workers who were trained during its prosperous times. When they leave, the number of people trained for the job will match the demand for workers. The policy has to be very harsh like that in India or ancient Egypt, which can lower the wages of workers or the profits of businesses for many generations. This is all I think is important to notice right now about how the prices of things in the market sometimes change from what they should be. The natural price of things changes depending on how much people get paid, how much profit they make, and how much they pay for rent. This changes depending on how rich or poor a society is, and whether they are getting better, staying the same, or getting worse. In the next four sections, I will try my best to explain the reasons for these changes [1], [2].

Labor wages

The things made by work are the normal payment for the work. Before people claimed land or gathered resources, all the things created by work belonged to the person who did the work. He has no landlord or master that he has to share with. If this had continued, workers' pay would

have gone up because of improvements in how much they could produce, caused by dividing up the work. Everything would have slowly become less expensive. They would have been made with less work, and because the same amount of work would have been used to make them, they would have been bought with less stuff too.

Even though everything would actually be less expensive, it might seem like some things are more expensive than before, or that you have to trade more of one thing for another. For example, let's say most jobs now produce ten times more work in a day than before. But in one job, they only produce double the amount of work. In most jobs, trading a day's work for the product of that work will only get you half as much as you would get if you worked in a different kind of job. So, if you bought a pound of something, it would seem five times more expensive than before. Actually, it would be half the price. Even though it cost a lot more to buy, it would be easier and quicker to buy or make than other goods. The purchase would be two times easier than before [3], [4].

However, the way things were initially, where the worker kept all the things they made, could not continue once people started claiming land and saving resources. It was finished a long time ago, before big changes were made to how much work could be done. There's no point in wondering what it might have done to pay or wages. Once someone owns the land, they require a part of the crops or goods that the worker makes from it. He has to pay rent from the money he makes from working on the land. It's rare that the person who works the land has enough money to support themselves until they can collect the crops. His employer, the farmer, usually provides him with the money he needs to live. The farmer does this because he will benefit from the worker's work and needs his own money to grow. This profit takes away some of the money earned from working on the land.

The profits from most types of work can also be reduced just like agricultural products. In many jobs, most workers need a boss to give them the things they need to do their work and to pay them until the job is done. He gets a part of the things they make or the money they make from selling those things [5], [6].

DISCUSSION

Sometimes, a worker has enough money to buy the materials for their work and support themselves until the job is finished. He is both the boss and the worker, and he gets all the things he makes or the money it's worth when he uses raw materials. This includes two kinds of money: the money from owning things and the money from working. Instances like these don't happen often. In Europe, there are twenty workers for everyone who works independently.

The wages for labor are usually the same everywhere, with the worker being separate from the person who owns the business. How much workers get paid depends on the agreement between the employer and the employee, but their interests are not always the same. The workers want to get more money, while the employers want to pay less. The first group wants to work together to increase wages, while the second group wants to work together to decrease wages.

It's easy to see which party will usually have the upper hand in an argument and make the other party agree to their terms. The bosses, who are fewer, can team up more easily. Also, the law allows them to join together, while it doesn't allow workers to do the same. There are no laws against people teaming up to make work cheaper, but there are many laws against people teaming up to make work more expensive. In these arguments, the masters can keep going for a long time. A landlord, farmer, manufacturer, or merchant who didn't hire any workers could usually live for a year or two using the money and resources they already have. Most workers

cannot survive for a week, some can survive for a month, and hardly any can survive for a year without a job. Eventually, the worker might be just as important to his boss as his boss is to him. But it might not be right away [7], [8].

People don't talk much about masters working together, but they often talk about workers teaming up. However, anyone who thinks that masters don't often work together is as clueless about the world as they are about the topic. Employers always work together to make sure that they don't have to pay workers more than they need to. Breaking this rule is something that everyone dislikes and makes a master look bad in front of their neighbors and peers. We don't often hear about this combination because it's normal and nobody talks about it. Even highly skilled workers sometimes join together to lower the amount of money paid to other workers. These are always done very quietly and secretly until they are actually carried out. Sometimes the workers give in without a fight, and even though it's really hard for them, no one else ever finds out about it. But sometimes the workers join together to resist these combinations and raise the price of their work without being provoked.

They often make excuses about the high cost of food or the large amount of money their bosses make from their work. But whether their mix of players is aggressive or defensive, people always talk about them a lot. To make a decision quickly, they always use loud noises and sometimes even violence to get their point across. They are very desperate and are acting foolishly and recklessly because they must either go hungry or scare their bosses into giving them what they want right away. The bosses also complain about this and keep asking the government to enforce laws against workers joining together. The workers don't usually benefit from violent protests because the authorities, the employers, and the need for money make the protests ineffective and can lead to the leaders being punished or in trouble. However, even though masters usually have the upper hand in disputes with their workers, there is a minimum wage that cannot be lowered for a long time, even for the lowest level of labor.

A man should always earn a living from his job, and his pay should be enough to support him. They need to earn enough money to support their family. Otherwise, their children won't be able to do the same work. Mr Cantillon thinks that the lowest level of workers need to earn at least twice their living expenses so they can raise two children. The mother's work taking care of the kids only covers her own needs. But half of the children born don't survive to adulthood. The poorest workers should try to have at least four children so that two of them have a good chance of surviving. Taking care of four children requires almost the same amount of money as taking care of one man. The author thinks that an able-bodied slave's work is worth twice as much as what it costs to support the slave, and even the lowest paid worker's work is worth at least as much as an able-bodied slave's. So far, it seems clear that in order to support a family, both the husband and wife need to earn more than just enough to take care of themselves, even if they have jobs that don't require special skills. But I won't try to figure out exactly how much they need to earn compared to their own expenses. Sometimes, workers can get paid more than the minimum amount that is fair, because of certain situations [9], [10].

In a country where more and more people are looking for jobs and getting hired every year, the workers don't need to work together to ask for higher pay. When there are not enough workers available, employers start competing with each other to hire them. This makes employers willing to pay higher wages, even though they usually agree not to do that. The need for people who work for hourly pay will only go up as the amount of money set aside for paying their wages increases. There are two types of money: first, extra money after paying for basic needs; and second, extra money after paying for their bosses' business costs. If someone has more money than they need to take care of their family, they hire some people to help them with their household chores. If you give him more, he will hire more servants.

When a self-employed worker, like a weaver or shoemaker, has extra materials and enough to support himself, he may hire other workers to help him make more products and earn more money. If he makes more money, he will hire more workers. The need for people who work for a living goes up as a country's money and resources grow. It can't go up without these things growing. The more money and stocks a country has, the wealthier it is. The need for people who work for a salary goes up as a country becomes wealthier. It can't go up without the country becoming wealthier.

National wealth growing makes wages higher, not just being wealthy. The countries where people's wages are highest are not the richest ones, but the ones that are growing and becoming wealthy the fastest. Currently, England is a wealthier country than any part of North America. Workers in North America earn much more money than workers in any part of England. In 1773, in New York, regular workers were paid three shillings and sixpence a day. Ship carpenters gotten shillings and sixpence a day with a pint of rum. House carpenters and bricklayers earned eight shillings a day, and tailors got five shillings a day. These prices are higher than the prices in London, and people say that wages are just as high in the other colonies as they are in New York. Everywhere in North America, the cost of food and supplies is much cheaper than in England. There has never been a shortage of anything there. During the bad times, they always had enough for themselves, but not much to sell to others. If the amount of money people get for their work is higher than in the home country, then the actual value of that money - what it can buy in terms of things people need and want - must also be higher by an even bigger amount [11], [12].

However, even though North America is not as wealthy as England yet, it is growing and progressing much faster towards gaining more wealth. The most important sign that a country is doing well is when the number of people living there goes up. In Britain and other European countries, it takes about 500 years for them to double their population. In the past, it was discovered that the British colonies in North America grew twice as large every 20 to 25 years. In the current times, the increase in population is not mostly because of new people coming in, but because there are a lot more babies being born. People who live a long time often have many children, grandchildren, and even great-grandchildren. Working hard is pays off well, so having a lot of children is not a financial burden but actually brings wealth and success to the parents. Each child's work at home is valued at a hundred pounds when they leave their house. A woman who is a widower and has four or five young children, and is not very wealthy, is often seen as a good catch in Europe. Children are the biggest reason why people want to get married. It's not surprising that people in North America usually get married at a young age. Despite the big increase caused by people getting married early, there is always a complaint about not having enough workers in North America. The need for workers and the money to pay them keeps growing faster than companies can find people to hire.

Even if a country has a lot of money, if the economy hasn't changed for a long time, the wages for workers might not be very high. The money for paying wages and the resources of the people in a place may be huge. But if things have been the same for many years, then there will be enough workers to do the job each year, and even more than enough. There would rarely be a lack of workers, and the bosses wouldn't have to compete with each other to hire them. On the other hand, the hands would naturally have too much work to do in this situation and there would be more of them than needed. There would be a lack of jobs all the time, and workers would have to compete with each other to get a job. If the workers in a country were ever paid more than enough to live on and support their families, competition and the needs of the employers would quickly lower their wages to the minimum needed for survival. China has been one of the wealthiest, most fertile, best farmed, most hardworking, and most heavily

populated countries in the world for a long time. But it has been still for a long time. Marco Polo visited this place over five hundred years ago and he talked about how many people lived there, the things they made, and how much stuff they grew. Other people who visit there now say the same things. It might have become wealthy a long time ago, and had as much money as its laws allow. All the travelers' stories say the same thing - that people in China don't make much money and it's hard for them to support their families. If he has to dig all day to buy a little rice for dinner, he's happy. The situation for skilled workers is even worse if that's possible. Instead of sitting around and waiting for customers to come to them like in Europe, they are always walking around the streets with their work tools, asking for work. Poverty in China's poorest people is worse than in the poorest countries in Europe.

In the area around Canton, it is said that hundreds, maybe even thousands of families have no homes on land. Instead, they live on small fishing boats in the rivers and canals. The food they find there is very little, so they are very interested in fishing up the grossest trash thrown overboard from any European ship. Any dead animal, like a dead dog or cat, even if it's rotting and stinky, is just as good to them as healthy food is to people in other countries. In China, people are encouraged to get married not because they want to have children, but because they have the freedom to not have children if they don't want to. Every night in big cities, a lot of people are left in the streets or thrown into the water and left to die. Some people are saying that this terrible office is how some people make a living. China may seem to stay in one place, but it doesn't seem to move backwards. Its towns are never empty because people live in them. The once-farmed lands are now empty and not taken care of. The work that needs to be done every year must be the same or nearly the same, and the money to pay for it should not be significantly reduced. The poorest workers, even though they don't have much to live on, need to find a way to have enough children to keep their population from shrinking.

However, things would be different in a country where the money meant for paying workers was decreasing. Every year the need for workers and helpers in all types of jobs would decrease compared to the previous year. Many people who were brought up in wealthy families would be happy to work in lower-class jobs if they can't find work in their own field. The lowest class has too many workers because people from all the other classes are also competing for the same jobs. This means that the wages for these jobs will be very low, and the workers will barely have enough to survive. Many people might not be able to get a job even with these difficult conditions. They might end up starving or being forced to beg or do bad things in order to survive. Desire, hunger, and death would quickly become widespread in that group, and then spread to all the higher classes, until the population of the country was lowered to a level that could be supported by the remaining money and resources. These resources had not been affected by the harshness or disaster that had harmed everyone else. This is almost the current situation in Bengal and other English colonies in the East Indies. In a rich country where there are plenty of food and not many people, it's strange that so many die from hunger. This means that the money set aside to help the poor is running out. The British constitution helps North America, while the mercantile company in the East Indies oppresses and dominates. This shows how the countries are different. Paying workers well is a sign that a country is getting richer. The little help the poor workers receive shows that the situation isn't improving and they are getting even poorer. In Great Britain, it looks like workers are getting paid more than they need to support their families. To make sure about this, we don't need to do a long or uncertain math to find the smallest amount needed to do this. In this country, the pay for work is not regulated at the lowest rate that is fair. This causes many problems for workers.

In most of Great Britain, even the lowest paid workers earn more in the summer than in the winter. In summer, people usually get paid the most. However, because fuel is very expensive

in winter, it costs a lot to take care of a family during this time. Wages are highest when expenses are lowest, this shows that they are not determined by what is needed for expenses, but by the amount and perceived value of the work. A worker should save some of their earnings from the summer to cover expenses in the winter. They should only spend what is necessary to support their family for the whole year. Someone who relies on us for their basic needs, like a slave, would not be treated like this. He would have enough to live on every day so he could meet his needs.

Secondly, in Great Britain, the pay for work does not change with the cost of food. These change a lot from year to year and often from month to month. However, in many places, the amount of money workers are paid stays the same for a long time, sometimes for fifty years. So, if the poor people can take care of their families when food is expensive, then they should be able to live comfortably when there is enough food, and live very well when food is really cheap. In the last ten years, the cost of food has been high but the wages for work have not gone up much in many areas of the country. It's true that in some places, the increase in demand for work may have more to do with the increase in the cost of food.

Thirdly, the cost of food changes more from year to year than the amount of money people get for working. However, the amount of money people get for working changes more from place to place than the cost of food. Bread and meat prices are similar across most of the United Kingdom. Most things are cheaper in big cities than in the countryside, which is where poor people usually buy things. I will explain why later. However, the amount of money workers are paid in a big city and nearby areas is often around 20-25 percent less. Higher than a short distance away. In London and nearby areas, the usual price for a day of work is eighteen pence. A few miles away, it costs fourteen or fifteen pence. The price of ten pence is what it is considered in Edinburgh and the area around it. A few miles away, the price drops to eightpence, which is the normal price for common work in most of the lowlands of Scotland. The price doesn't change as much as it does in England. The big difference in prices between parishes wouldn't always be enough for people to move from one parish to another. This would cause a lot of bulky goods to be transported from one parish to another, and even from one end of the country, and even from one part of the world to another. This would eventually make the prices more similar. Despite what has been said about how people are not serious and are always changing their minds, it is clear from our experiences that people are the most difficult to deal with. If poor people can support their families in places where wages are low, they will be rich where wages are high.

Lastly, the changes in the cost of labor don't always match up with the changes in the cost of food, and they can even go in the opposite direction. In Scotland, the basic food grain is more expensive than in England. So, Scotland gets a lot of grain supplies from England every year. English corn needs to be sold at a higher price in Scotland than in England. This is because of the quality of the corn. It has to be sold at a price that is similar to the price of Scottish corn in the same market. The better the grain makes flour or meal at the mill, the better quality it is. English grain is better than Scotch grain in this way. It may look more expensive, but it's actually cheaper because it makes more flour or meal. In England, workers are paid more than in Scotland. If poor people can support their families in one part of the country, then they should be able to live well in another part. Oatmeal is the main food for regular people in Scotland. It's not as good as the food people in England of the same social class have. The way they make a living is different, but it's not the reason for their different wages. Some people think it is, but that's a misunderstanding. Just because one person has a coach and another person walks, doesn't mean one is rich and the other is poor. The rich person has a coach because they are wealthy, and the poor person walks because they don't have much money.

In the last hundred years, grain was more expensive in both parts of the UK than it is now. This is something that is definitely true and there is no doubt about it. It is even clearer in Scotland than in England. In Scotland, they use public fiars to figure out the value of different grains in each county. This helps them understand the market for grains better. If we need extra evidence to prove something, it has been the same in France and other parts of Europe. In France, there is strong evidence. However, it is clear that in both parts of the UK, grain was more expensive in the last century than it is now. It is also clear that labor was much cheaper. So, if the poor people could take care of their families back then, they must be more comfortable now. In the 1900s, most workers in Scotland were paid sixpence a day in the summer and fivepence a day in the winter. In some parts of the Highlands and Western islands, people still pay three shillings a week, which is almost the same price as before. In most of the Low country, most workers are paid eight pence a day. In some places like Edinburgh, they are paid ten pence or sometimes a shilling. This is probably because of the nearby England and also in places with high demand for workers like Glasgow, Carron, and Ayrshire. In England, farming, making things, and trading started getting better before they did in Scotland. The need for workers, and how much they are paid, has to go up when things get better. In the past 100 years, and even now, people in England were paid more than people in Scotland for their work. Prices have also gone up a lot since then. It's harder to know exactly how much because wages vary in different places. In 1614, a foot soldier was paid eightpence a day, which is the same as it is now. When it was first set up, it would be controlled by the same pay that regular laborers get, who are usually the same type of people who become soldiers. Lord-chief-justice Hales wrote during the time of King Charles II.

Calculates how much money is needed for a family of six people, including the parents, two working children, and two others, who make 10 shillings a week or 26 pounds a year. If they can't earn it by working, they must get it in some other way, like asking for it or taking it without permission. He seems to have studied this subject very thoroughly. You can see his ideas for helping the poor in Burn's History of the Poor Laws. In 1688, Mr. Gregory King calculated that the average income for laborers and servants was fifteen pounds per year for a family of about three and a half people. This was praised by Dr. Davenant for King's expertise in political arithmetic. His calculation is similar to Judge Hales' even though it looks different at first. Both assume that each person in those families spends about twenty pence per week. The amount of money that families earn and spend has gone up a lot in most of the country since then. In some places, it has gone up more, and in others, less, although probably not as much as some reports have said. The cost of work can be hard to figure out because different workers may be paid different amounts for the same job. This can be based on their skill level and how easy or difficult the employer is to work for. When there are no laws controlling wages, we can only guess what is the most common. And it seems that laws cannot properly control wages, even though they have tried to do so in the past.

CONCLUSION

Studying how much money workers are paid helps us understand how money moves between people and how it can affect society. Throughout history, wages have been an important way to measure the value of work. They have been affected by many things like new technology, the market, and rules made by society. From old ways of thinking about money to how jobs work today, the idea of wages has changed. This shows how things are made, how the world is connected, and what people think is fair. Even as things have changed, there are still big problems like some people not making as much money as others, wages not growing, and some people not having the same chances to get a job. We need a combination of things like education, training, and help for people, and rules for the job market to deal with these

problems. It's not just about the market. By creating a supportive environment that helps people learn new skills, have fair chances to get a job, and receive good pay, leaders can make the economy stronger and society more unified.

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CHAPTER 6

PROFITS AND THEIR DRIVERS: A COMPREHENSIVE STUDY OF RISK, INNOVATION, COMPETITION, AND MARKET EQUILIBRIUM

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ABSTRACT:

The multifaceted nature of profits, examining their relationship to factors such as risk, innovation, competition, and market equilibrium. From classical economic perspectives to contemporary analyses, the nature and significance of profits have been subject to extensive debate and scrutiny. Furthermore, the abstract delves into the implications of profits for economic growth, employment, and income inequality, highlighting both the opportunities and challenges associated with profit-seeking behavior. While profits incentivize innovation, investment, and efficient resource allocation, they also raise concerns about market power, exploitation, and social justice. In conclusion, understanding the dynamics of profits of stock is essential for comprehending the functioning of market economies and designing policies that promote sustainable and inclusive growth. By striking a balance between fostering entrepreneurial initiative and ensuring equitable outcomes, societies can harness the potential of profits to drive prosperity and advance human welfare.

KEYWORDS:

Dividends, Equity, Investment, Market, Portfolio, Profit.

INTRODUCTION

The reward for working hard and the amount of things you can buy with your wages have increased a lot during this century, maybe even more than the actual amount of money you get paid. Not just grain, but many other things that the hardworking poor people eat have also become cheaper. Right now, potatoes are much cheaper than they were 30 or 40 years ago in most of the country. Turnips, carrots, and cabbages used to only be grown with a spade, but now they are often grown with a plough. All kinds of gardening supplies have also become less expensive. Most of the apples and onions eaten in Great Britain in the 17th century were brought in from Flanders. The factories for making linen and wool cloth are getting better, so the workers can buy nicer clothes for less money. The factories for making metal tools are also getting better, so the workers can buy better tools and furniture for their homes. Soap, salt, candles, leather, and alcohol have become more expensive because of the taxes that have been added to them.

The poor people don't need to buy a lot of these things, so even if the price goes up, it doesn't make up for the lower price of many other things. People are complaining that even those who are not very rich want luxury things now. They don't want to be satisfied with basic things like food, clothes, and a place to stay like they used to be. This shows us that the amount of money a person gets for their work is not the only thing that has increased, but also the overall benefits they get. Is it good or bad for society if the lives of poor people get better? At first, it seems obvious. Most people in a big country are servants, workers, and laborers. However, anything that makes things better for most people should not be seen as a problem for everyone. No society can be successful and happy if most of its people are poor and unhappy. It's fair that the people who take care of everyone should get enough of what they produce to take care of themselves too [1], [2].

Being poor may make people feel bad, but it doesn't always stop them from getting married. It seems to be good for making babies. A woman from the Highlands who doesn't have enough to eat often has more than twenty children, while a wealthy woman usually can't have any children and is worn out after having two or three. Infertile in rich women happens a lot, but not so much in poor women. Being too focused on luxury and pleasure can make it harder for women to have babies.

But being poor makes it hard to take care of children, even though it doesn't stop people from having them. The delicate plant grows, but in a very cold ground and harsh weather, it quickly wilts and dies. I've been told that it's not unusual in the Highlands of Scotland for a mother to have had twenty children but only two of them are still alive. I asked some experienced officers and they said that their regiment doesn't have enough drums and fifes because there aren't enough soldiers' children being born to replace them. It's rare to see a lot of well-behaved children anywhere, but there are usually many around soldiers' homes. Only a few of them make it to thirteen or fourteen years old. In some places, half of the kids die before they are four years old, and in many places, they die before they are seven. In almost all places, they die before they are nine or ten. Many poor children are getting sick and dying because their parents can't take care of them as well as richer families can. Even though their marriages are usually more successful than those of fashionable people, fewer of their children grow up. In hospitals for abandoned babies and for kids taken care of by charities, more of them die compared to kids from regular families. All animals have babies until there is not enough food for them. They cannot have more babies than there is food for. In a society where people act respectfully and follow rules, only those with fewer resources may have trouble feeding their families and may need to have fewer children. This is the only way their families will survive [3], [4].

Paying workers more allows them to take better care of their kids and have more of them, which expands the boundaries of what is possible. It's also important to note that it does this as closely as it can to meet the demand for workers. If more people want something, then more people will need to work to supply it. This will lead to more people getting married and having children, so there will be enough workers to meet the demand. If the pay is too low, there won't be enough workers, and the pay will go up. If the pay is too high, there will be too many workers, and the pay will go down. The job market would have too few workers in one situation and too many in the other. This would cause wages to go back to the right level needed for the society. This means that the need for men, like anything else, controls how many men are produced. It makes more men when there aren't enough, and less when there are too many. This demand controls how much a certain thing is spreading in different countries, like North America, Europe, and China. In North America, it spreads quickly, in Europe it spreads slowly, and in China, it doesn't spread at all.

The cost of taking care of a slave is paid by the owner, but a free servant has to pay for their own upkeep. The damage to the latter is actually just as costly to the owner as the damage to the former. The pay for workers like journeymen and servants should be enough for them to keep working, whether the demand for their work goes up, down, or stays the same. However, the maintenance of a hired worker is usually cheaper for the employer compared to that of a slave, even though the wear and tear on both is the same. The money set aside to fix or replace things that the slave needs is usually not taken care of well by the person in charge. The freeman is in charge of doing the same job for themselves. The problems that rich people have with managing money also affect how poor people manage their money. Poor people tend to be very careful with their money, and this also influences how rich people manage their money. Different types of management will require different amounts of money to achieve the same

goal. Even in cities like Boston, New York, and Philadelphia, where workers are paid a lot, it's still possible. The more people are rewarded for working, the more they will want to work and the more people there will be. To complain about it is to be upset about something that is needed for the best things to happen for everyone [5], [6].

DISCUSSION

It's worth noting that the working poor and most people are happiest and most comfortable when society is moving forward and gaining more wealth, rather than when it has already gained all its riches. It is difficult when things stay the same, and it feels very sad when things get worse. The progressive state is happy and lively for everyone in society. The stationary state is boring and the declining state is sad. Paying workers well encourages them to have more children and work harder. The payment for working encourages people to work harder. When people are encouraged and praised, they do better at their job. Having enough food and necessities makes the worker stronger and gives them hope for a better future. This motivates them to work hard and improve their life. In places where people get paid more, they tend to work harder and faster. For example, in England compared to Scotland, and in big cities compared to small rural areas. Some workers don't work the full week because they can earn enough in four days to support themselves. This is not the case for most of them. On the other hand, when workers are paid for each task they complete, they often work too much and end up damaging their health and body in just a few years. A carpenter in London, and in some other places, is not expected to remain strong and healthy for more than eight years. The same thing happens in many other jobs where workers are paid for each thing they make. This happens in manufacturing and even in farm work when the pay is higher than usual. Most people who work as craftsmen or skilled workers often suffer from health problems because they work too much on their specific type of work.

Ramuzzini, a famous doctor from Italy, wrote a book about these illnesses. We don't think that soldiers are the hardest workers, but when they have been paid well for certain jobs, their officers have had to make agreements with the person hiring them so that they don't make more money than a certain amount each day. Until this rule was made, they often worked too hard and hurt themselves because they wanted to do better than others and earn more money. Working too much for four days of the week often leads to people feeling like they don't want to do anything on the other three days, which they often complain about. Working really hard for many days in a row makes most people really want to take a break. If there's nothing stopping them, they'll definitely take a break. It is our body's natural urge to take a break and relax, sometimes just by resting, and other times by having fun and doing different activities. If you don't follow the rules, it can be really dangerous, and even deadly. It usually leads to health problems that are common in that line of work. If bosses always listened to what is fair and kind, they would often need to encourage their workers to work less instead of pushing them to work harder. I think in every job, if you work at a steady pace and can keep working without getting tired, you will stay healthy longer and get the most work done in a year [7], [8].

In times when things are cheap, it is said that workers are usually lazier, but when things are expensive, they work harder than usual. Having a lot of food makes people lazy and not work as hard, while having very little food makes people work harder. Having too much of something may make some workers not have anything to do. But it's hard to believe that most workers would be affected this way, or that people in general work better when they are not getting enough to eat, feeling down, or often getting sick. It doesn't seem very likely. Years of famine are often times when many regular people get sick and die. This makes it hard for them to work and produce the things they need.

During good times, servants often quit their masters and rely on their own hard work to survive. However, because food is cheap, it means that people have more money to spend on hiring servants, which makes farmers want to hire more people. Farmers think they can make more money by keeping some workers to help with their crops instead of selling the crops for less money. More people want servants, but there are fewer people willing to be servants. Wages often go up in years when prices are low. In times when there is not enough food, people want to go back to work because they are unsure if they can feed themselves. But when food costs a lot, people have less money to pay their servants, so they might have to let some of them go instead of hiring more. In the past, self-employed workers often used up all their savings and had to work for someone else just to survive. More people want to work but it's hard to find a job. Some people are willing to work for less money and in tough times, the wages for workers often decrease [9], [10].

Skilled people often get better deals with their workers when times are hard and find that their workers are more humble and reliant on them during those times. So, they like the first option better for business. Landlords and farmers, who are two big groups of bosses, like when prices are high for a different reason. The money earned from renting and the money earned from selling things depend a lot on the cost of food. It's silly to think that people would work less when they are working for themselves than when they are working for someone else. A poor worker who works alone will usually work harder than a skilled worker who gets paid for each piece of work done. One person keeps all the things they make for themselves, while the other person gives some of it to their boss. When someone is alone, they are less likely to be influenced by bad people, which can often lead to moral problems for others working in big factories. The independent worker is better than servants who are hired for a month or a year. They are likely to be even better when their pay and living costs are the same, whether they work a lot or a little. Inexpensive years usually lead to more independent workers compared to apprentices and servants, while expensive years tend to decrease the number of independent workers.

Mr Messance, a smart French author, is trying to prove that poor people work harder in years when things are cheap. He's doing this by comparing how much stuff is made in three different places in France. One place makes coarse woollens in Elbeuf, one makes linen, and another makes silk in Rouen. It seems that based on his record from the public offices, the amount and worth of the products made in all three factories have usually been higher in years when things are cheaper and lower in years when things are more expensive. All three companies make things that don't change much over time. Their products stay the same, without getting worse or better.

Making linen in Scotland and coarse wool in Yorkshire are getting bigger and producing more and worth more money. After looking at the reports of how much they make each year, I didn't see any connection between how much they make and whether the seasons are expensive or not. In 1740, when there wasn't enough of things, the making of stuff went down a lot. But in 1756, another year of great shortage, Scottish industries made more progress than usual. The Yorkshire factories slowed down and their products didn't sell as much as they did in 1755. It wasn't until 1766, after the American stamp act was canceled, that the Yorkshire products started selling well again. In the next year, it was much better than before, and it has kept improving ever since [11], [12].

The products made in factories and sold far away depend on the demand in the countries where they are sold, not just on the cost of production in the countries where they are made. This includes factors like peace or war, the success of competing products, and the preferences of the customers. A lot of the amazing work that is done in inexpensive years never gets recorded

in public manufacturing records. The men who stop working for their bosses can start working for themselves. The women go back to their parents and usually make thread, yarn, or string to create clothing for themselves and their families. Even self-employed workers don't always sell their products to the public. Sometimes they are hired by their neighbors to make things for their own families. Their hard work doesn't always show up in public records, even though people like to use these records to show how well a country is doing.

Changes in the cost of labor don't always match changes in the cost of food. In fact, they are often the opposite. But we shouldn't think that the cost of food doesn't affect the cost of labor. The price of work is controlled by how much people want to hire workers and the cost of things people need and want. The need for workers, whether it's going up, staying the same, or going down, determines how much food and other stuff they need, and how much money they should be paid. Sometimes, even when food is cheap, the wages for work can be high. But if the cost of food is high, then the wages would be even higher, as long as the demand for work stays the same. The need for workers goes up when there is a lot of work, and goes down when there isn't. This is why sometimes the amount of money paid to workers goes up and other times it goes down.

In a year when there is a lot of money, many employers have enough money to hire more workers than before. But this doesn't happen every year. So, the bosses who need more workers compete with each other to hire them. This can make the cost of labor go up. The opposite of this occurs in a year of unexpected and extreme shortage. There is not as much money available for hiring people in the industry as there was last year. Many people lose their jobs because they compete against each other, which can make wages go down. In 1740, when there was very little of everything, many people were willing to work just to have enough to survive. In the following years when there was plenty of work, it was harder to find people to do labor and help with household chores. In a year when there isn't enough of something, there won't be as much work available, so the price of work goes down. But when food is expensive, the price of work goes up. In a year when things are cheaper, the demand for work goes up, which make the cost of labor can go up. But when food is cheaper, the cost of labor goes down. In normal times, the prices of food go up and down because of different reasons. But the wages people get for their work stay pretty much the same. This might be because the ups and downs of food prices and other factors even each other out.

Raising workers' pay raises the cost of things, which means people buy less of them, both in the country and overseas. The reason why wages go up is because there is more money available, which also makes workers more productive and able to produce more work with less effort. The person who owns the company wants to make sure the workers are doing their jobs in the best way to make the most work. This helps the owner make more money. For that reason, he tries to give them the best machines he or they can come up with. What happens among the workers in a workhouse also happens among the people in a big society. When there are more people, they naturally split into different groups with different jobs. More people are working on making machines that can do specific jobs better. This means that they are more likely to come up with new inventions. There are many products that are now being made with less work, so even though their price goes up, there are fewer of them, so it balances out.

Of the profits of stock

The amount of money made from stocks and the amount of money people earn from working depend on the same things - like how well off the society is. But these things affect stocks and wages in different ways. When the amount of goods and products a company has goes up, workers might get paid more, but the company might make less money. When many rich

merchants invest in the same trade, they compete with each other which can decrease their profits. When the amount of goods in all the different trades in a society increases, the competition will have the same effect in all of them.

It's difficult to figure out the normal pay of workers, even in a specific place and time. In this situation, we can usually only figure out what the most common wages are. But it's rare to be able to do this with regards to the money made from owning stock. Profit is always changing, so someone who runs a business might not be able to tell you how much money they make in a year. The business is impacted by changes in prices of goods, as well as by the success or failures of competitors and customers, and many other situations that can happen when goods are transported or stored. It changes not just from year to year, but from day to day and even from hour to hour. It's really hard to figure out how much money all the different businesses in a big country make on average. And it's even harder to know exactly how much they made in the past or a long time ago.

It might be hard to figure out exactly how much money people made from investing in stocks, both now and in the past. But we can get an idea by looking at how much interest people earned on their money. It can be said that if someone can make a lot of money with money, they will usually pay a lot to use it. And if someone can't make much money with it, they will usually pay less to use it. So, when the usual interest rates in a country go up or down, the profits from investments also go up or down. Interest growth tells us about profit growth.

It usually takes more stuff to do business in a big city than in a small village. The many stocks used in all types of businesses and the many wealthy competitors usually lower the profits in one type of trade compared to another. But usually, people get paid more for working in a big city than in a small village. In a busy town, businesses can't always find enough workers, so they compete by offering higher wages. This makes it more expensive for businesses to hire workers and reduces their profits. In rural areas, there often isn't enough work for everyone. This means people have to compete for jobs, which lowers wages and increases profits for businesses.

In Scotland, the interest rate set by the law is the same as in England, but the actual interest rate in the market is higher. People with the highest credit usually don't borrow for less than five percent. Even bankers in Edinburgh who work with individual clients offer a interest rate of four percent. They can ask for the money whenever they want, based on the notes they promised to pay.

In London, private bankers don't pay any interest on the money people give them to hold. Some trades in Scotland don't need as much stock as they do in England. So the profit rate needs to be a little higher. Workers in Scotland get paid less than workers in England. The country is getting poorer and it's taking longer for it to get better. In France, the interest rates have not always been the same as the market rates in both France and England. The interest rates in France are usually higher than in England. This is why many British people prefer to invest their money in France, even though trade is not as respected there. Workers in France earn less money than workers in England. When you travel from Scotland to England, you can see that the way people dress and look shows the difference in their lives. The difference is even bigger when you come back from France. France is a wealthier country than Scotland, but it doesn't seem to be progressing as quickly. Many people think the country is going in the wrong direction, but I disagree. This is especially true for France, but Scotland has improved a lot in the past twenty or thirty years. Holland is richer than England when you compare the size of their land and the number of people living there. The government there takes a loan at a two percent interest rate. The text says that private individuals with a good credit score can get a

loan at a 3% interest rate. Workers in Holland are paid more than workers in England, and the Dutch are known for making less profit from their business than anyone else in Europe. Some people say that trade in Holland is getting worse. It might be true for some specific parts of trade, but it seems like overall trade is not getting worse. When merchants make less money, they often say that business is getting worse, but when profits decrease it's actually because the business is doing well or more money is being used in it. In the last war, the Dutch took over the business of carrying goods in France. They still have a lot of that business today. They have a lot of money in French and English funds, around forty million. They also lend a lot of money to people in other countries where the interest rates are higher. This shows that they have more money than they can use in their own country, but it doesn't mean that their business has gotten smaller. Just like a person may have more money than they need for their business, a country can also have more money than it needs to grow its economy.

CONCLUSION

Studying how much money companies make from selling shares of stock shows how important it is for the economy. Profits are important because they encourage people to invest, come up with new ideas, and take risks. This helps people start businesses and makes the economy grow. Their spread and size can also affect how much money people have and how the market works, which can make it harder for everyone to be treated fairly and for society to stick together. Furthermore, studying profits shows how market competition, rules, and what people think are all connected. Rules that help businesses compete, protect consumers, and treat workers fairly are important for how profits affect the economy. In the end, it's important to find a balance between encouraging people to start businesses and making sure everyone is treated fairly. This is key to using profits to help everyone and make sure development is good for the environment. By creating a good environment for new ideas, investment, and fair competition, societies can use profits to make everyone better off and improve people's lives.

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CHAPTER 7

FACTORS INFLUENCING WAGE DISPARITIES AND PROFIT DYNAMICS IN ECONOMIC ACTIVITIES

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ABSTRACT:

The multifaceted factors influencing wage disparities and profit dynamics within economic activities. It delves into the interplay between wages of labor and profits of stock, examining how various conditions such as the ease or difficulty of learning a trade, the agreeableness or disagreeableness of employment, and the constancy or inconsistency of work impact the compensation structure. Additionally, it discusses how societal perceptions and policies shape the remuneration of different professions, highlighting the importance of education and skill acquisition in determining wages. Furthermore, the abstract addresses the relationship between profits, market competition, and the fluctuating demands of different trades, illustrating how these dynamics contribute to variations in profit margins across industries. Overall, the abstract provides insights into the complex mechanisms underlying wage differentials and profit fluctuations in economic exchanges.

KEYWORDS:

Demand, Economic Activities, Factors, Labor Market, Policies, Profit Dynamics, Supply.

INTRODUCTION

In our colonies in North America and the West Indies, workers get paid more, and people who lend money or invest in businesses also make more money than in England. In the various colonies, the interest rate is between six and eight percent for both legal and market rates. Workers getting paid a lot and businesses making a lot of money usually don't happen at the same time, except in new colonies. A new colony will not have as many people or resources compared to other countries for a while. They have lots of land, but not enough animals to use for farming. So, they only use what they have for farming in the best areas, like the land by the ocean and the rivers where boats can go. Land like this is often bought for a lot of money because it can produce valuable crops. Money used to buy and make better lands should make a lot of money and be able to pay a lot of interest. It quickly builds up in one place, so the farmer can hire more workers faster than he can in a new area. He gives a lot of rewards to the people he can find.

As more people join the colony, the money earned from stocks goes down little by little. When all the really good and well-placed farming areas are taken, it's harder to make money from farming on less good land. And farmers won't make as much money from their investment in that land. In many of our colonies, the interest rates have decreased a lot during this century. As there are more money, development, and people, interest has gone down. The amount of money workers earn does not decrease when the stock market profits go down. The need for workers goes up when the amount of goods for sale goes up, no matter how much money is being made. And even if profits go down, the amount of goods for sale can still go up even faster than before. Hardworking countries, like hardworking people, are getting richer and progressing. A big company's stock usually goes up faster than a small company's stock, even if the small company is making more money. The saying goes that if you have money, you can make more money. When you have a little, it's easy to get more. It's hard to get just a little bit.

The link between more stocks and more business growth or the need for more workers has been partly explained before, and will be explained more later when we talk about how stocks are saved up [1], [2].

Expanding into new land or new types of business can make more money for investors, and also make borrowing money more expensive, even in a country that is getting richer. The country does not have enough stock for all the business opportunities, so it is only used for the most profitable branches. Some of the resources used for other jobs are now being used for new, more profitable ones. In all those traditional jobs, there is now less competition than before. The market is not getting as many different kinds of things to sell. The price of these things goes up, which means people who sell them can make more money. This allows them to borrow money at a higher interest rate. For a while after the end of the recent war, not only individuals with good credit, but also some big businesses in London, often borrowed money at an interest rate of five percent. Who previously were not used to paying more than four or four and a half percent? Our society gained a lot of land and trade in North America and the West Indies. This is why our capital stock didn't decrease. The old business got a lot of new customers, so they had to reduce the number of workers in some areas. This made the profits go up because there was less competition. I will talk about why I believe that Great Britain's money did not decrease, even with the huge cost of the recent war [3], [4].

The decrease in the amount of money available for business and industry reduces the amount of money workers are paid, but increases the amount of money business owners make, and therefore increases the amount of money earned from investments. When workers are paid less, the people who own things for sale can sell them for less money, and still make a profit. This also means they don't need to use as much of their stuff, so they can sell it for a higher price. They pay less for their products and they receive more in return. Their earnings are increasing from both sides, so they can easily pay a high interest. People in Bengal and other British colonies in the East Indies are making a lot of money very quickly and easily. This shows us that while the wages for workers are very low, the profits for people who invest their money in these countries are very high. The more money you have, the more interest you can earn. In Bengal, farmers often borrow money at very high interest rates, like 40%, 50%, or 60%. The next harvest is used as a guarantee for the payment. When the profits are used to pay high interest, it takes away most of the landlord's rent. Then, this high interest also takes away most of those profits. Before the Roman republic fell, a lot of people borrowed money at high interest rates in the provinces, because the governors were not managing the money well. Brutus lent money in Cyprus at a very high interest rate of forty-eight percent [5], [6].

In a country where it has all the wealth it can get from its land, weather, and location, and it can't get any more, the pay for workers and the money made from investments would probably be very little. In a country with a lot of people compared to how much land and jobs it has, there would be so many people looking for work that the wages would go down. This would make it hard for workers to make enough money to live, and since the country is already full of people, there wouldn't be room for more workers. In a country with enough supplies for all its business, each type of trade would use as much stock as needed. The competition would be really tough everywhere, so the profit would be very low. But, maybe no country has ever become this rich. China has not changed for a long time and has probably had a lot of money for a long time because of their laws and rules. However, this addition could be much worse compared to what it could be if there were different rules and systems in place, considering the land, weather, and location. A country that ignores or looks down on trading with other countries, and only allows foreign ships into a few ports, cannot do as much business as it could with better laws and rules. In a country, even though wealthy people are safe, poor people are

not and can be robbed by lower-ranking officials. Because of this, the amount of money used in businesses in the country is not as much as it could be. In each area, the rich people make the rules so they can make a lot of money by controlling all the business. This makes life harder for the poor people. Twelve out of every hundred. So, it is said that money in China has a common interest, and the usual profits from investments should be enough to cover this high interest. A problem with the law can make interest rates much higher than needed for the country's wealth or poverty level. When the law doesn't make people do what they promised, it makes borrowers seem like they have bad credit, like bankrupt or unreliable people in other countries that have stricter rules. The lender charges a very high interest rate because he's not sure if he'll get his money back. In the past, when barbarian nations took over the western parts of the Roman Empire, people had to trust each other to keep their promises because there were no set rules for contracts. The kings' courts didn't usually get involved in it. The high interest rates in ancient times may have been due to this reason. When the law says you can't charge interest at all, it doesn't stop people from doing it. A lot of people need to borrow money, and no one will lend it without thinking about how it will be used and the risks involved. The reason for the high interest rates in all Muslim nations is explained by M. Montesquieu couldn't get the money back because it was hard to do and also because the people who owed him money weren't poor [7], [8].

DISCUSSION

The smallest amount of profit must always be higher than what is needed to cover the sometimes happening losses in any business. This extra money is the profit. Gross profit is not only the extra money made, but also the money set aside to cover unexpected losses. The borrower can only pay interest based on the profit they make. The lowest regular interest rate must be enough to cover any occasional losses from lending, even with some caution. If it weren't for that, only being nice or being friends would be the only reasons to lend money. In a rich country where businesses have a lot of money to invest, the profit and interest rates are very low. This means only the richest people can live off the interest from their money. People with little or moderate money would have to manage their own investments. Almost every man should have a job or trade to do. Holland province is getting closer to this condition. Not being a business person is considered old-fashioned there.

Almost everyone feels the need to do things a certain way, and what people are used to doing determines the way things are done. Not dressing and not working like others is silly. A man who has a job in an office might feel out of place in a military camp or base, and might even be looked down upon. Just like how a person who doesn't have a job might feel out of place among people who are working. The highest profit rate may take away the money that should go to the landowner as rent for most goods. It only leaves enough to pay the workers who prepare and bring the goods to market, at the lowest wage possible for a worker to survive. The worker always needed to have food while working, but the landlord may not have always been paid. The money made from the business that the servants of the East India Company do in Bengal might be close to this amount.

The relationship between the normal interest rate and the regular profit rate changes when profit goes up or down. In Great Britain, double interest is considered a good profit by merchants. I think this just means a common and usual profit. In a country where most businesses make a profit of eight or ten percent. It might be fair for half of the money earned to go towards paying back the loan when doing business with borrowed money. The borrower is taking a risk with the stock and is like an insurance for the lender. They will pay four or five percent interest. In most businesses, the money made from insurance can cover the risk and be enough to compensate for using the money to do business. However, the ratio between interest and profit

may be different in countries with lower or higher profit rates. If the price was lower, some people may not be able to pay the interest. If the price was higher, people could afford more. In countries that are getting richer quickly, the low profit rate can make the prices of things the same as in other countries where workers are paid less. This allows the rich countries to sell things as cheap as the poorer ones [9], [10].

In truth, making a lot of money usually leads to higher work costs more than getting paid a lot. If in making linen, the pay of the different workers like the people who process the flax, the ones who spin the thread, and the ones who weave the fabric, etc. If they all get two extra pennies each day, the price of linen would only go up by the total number of people working on it, multiplied by the number of days they worked. The part of the price of the product that is for the workers' pay would only increase at a steady rate as the wages go up during the different steps of making the product. However, if the earnings of the various employers of those employees were increased by five percent. The profit from selling the product would increase more and more as it goes through each stage of production. The boss of the people who make flax clothes would charge an extra five percent when selling the flax. Overall, the amount of money he spent on materials and paying his workers.

The boss wants the spinners to work five percent more. Both on the high price of flax and on the wages of the spinners. The weavers' boss wanted five percent of their earnings. Both the higher price of the linen-yarn and the wages of the weavers. Increasing the cost of things, the increase in wages works in a similar way to how interest adds up when you owe money. Profit grows like savings that earn interest, which keeps growing as time goes on. Our business owners and big factory owners are not happy about how high wages are making their products more expensive, which means people are buying less of them, both in our country and in other countries. They don't talk about the negative effects of making a lot of money. They don't admit that their own profits can be harmful. They only complain about other people's negative effects [11], [12].

Earnings and income in different types of jobs and investments

All jobs and investments in a place will either be the same or become more similar over time. If there was a job in the neighborhood that was much better or worse than other jobs, a lot of people would try to get that job or quit their current job. This would make the job return to the same level as other jobs. In a free society, everyone can choose their job and change it whenever they want. Every man wants to find a job that is good for him and avoid ones that are bad for him.

Wages and profits vary a lot in Europe, depending on the jobs people have and the investments they make. However, the difference comes from the nature of the jobs and the policies of Europe. Some jobs may not pay much but they have other benefits, while others pay a lot but have drawbacks. Europe has rules that affect how things work. Thinking about those factors and that plan will separate this into two parts.

The five things that I have noticed that can make a small amount of money in some jobs worth it, and a large amount in other jobs not as worth it are: First, whether the jobs are enjoyable or not; second, how easy and cheap it is to learn the jobs or how hard and expensive it is; third, how often the jobs are available; fourth, how much trust is needed for the jobs; and fifth, the likelihood of being successful in the jobs.

The amount of money you earn from work depends on how easy or hard, how clean or dirty, and how honorable or dishonorable the job is. So most of the time, a tailor who has completed their training earns less money than a weaver who has completed their training. He doesn't have

to work as hard. A person who weaves things and learns the skill earns less money than a person who makes things as a blacksmith. His job is not always easy, but it is much cleaner. A blacksmith who is skilled in his trade doesn't make as much money in twelve hours as a coal miner does in eight, even though the coal miner is only a laborer. His job is not very dirty, not as dangerous, and is done during the day and above the ground. Respect is a big part of the reward for all respectable jobs. When it comes to making money, overall, they are usually not paid enough, as I will try to explain later. Disgrace makes things worse. A butcher's job is tough and not pleasant, but they usually make more money than many other jobs. The job of being a public executioner is the most dangerous of all jobs, and it pays better than any other regular job.

Hunting and fishing are important jobs for people in the early stages of society, but later they become fun activities that people do for enjoyment, rather than out of need. In modern society, those who make a living from hobbies are very poor. Fishermen have been around since the time of Theocritus. In Great Britain, a poacher is usually a very poor person. In countries where there are strict laws against poaching, licensed hunters also face challenges. Many people prefer these jobs because they enjoy them, but there are too many people doing these jobs and not enough money to pay them well. So, they can only afford a very basic living. Being disagreeable and having a bad reputation can hurt the profits of stock, just like how low wages can hurt the profits of labor. The person who runs an inn or tavern doesn't really have control over their own place and has to deal with rude and drunk customers. This makes it hard for them to run a good and respected business. But there are not many businesses where a small investment can make such a big profit. Also, how much money workers make depends on how easy or cheap it is to learn the job, or how hard and expensive it is to learn the job.

When we put up a costly machine, we expect it to do a lot of work and make a profit before it breaks down. This profit should be at least what we would normally expect. A man who has worked hard and spent a lot of time learning a specialized job can be compared to a complex and expensive machine. The job he learns to do will pay him enough to cover the cost of his education and also make a profit. It also needs to be done in a reasonable amount of time, considering that people's lives are unpredictable, just like the time machines last. Skilled workers get paid more than common workers because they have more skills and knowledge.

Europe's policy sees the work of mechanics, artisans, and manufacturers as skilled labor, and the work of country laborers as common labor. It seems like the first one is more delicate and sensitive than the second one. Maybe in some situations it is like that, but in most cases it is different, and I will try to show that soon. In Europe, the laws and traditions require people to go through apprenticeships to be able to work.

The rules are different in different places. They let everyone come and go as they please. During the apprenticeship, the apprentice must work for the master the whole time. At that time, his parents or family members have to take care of him and provide him with clothes. Sometimes, the master is given some money to teach him his job. Those who can't give money, give time, or agree to work for longer than usual. This may not always be good for the boss because some apprentices are lazy, but it's always bad for the apprentice. In rural jobs, the worker learns the harder tasks while doing the easier ones, and his work supports him at each stage of his job.

In Europe, people who work as mechanics, craftsmen, and in factories should make more money than common laborers. They act in a way that shows they think they are better than others, and because they have more money, most people see them as being higher up in society. The difference in pay is usually small. Journeymen in common types of manufacturing, like making linen and wool cloth, don't earn much more than regular laborers on a daily or weekly

basis. Their jobs are more consistent and stable, and they may earn somewhat more money throughout the year. It seems clear that their education costs more, but not by a lot. Learning creative skills and professional jobs costs a lot of time and money. Artists, lawyers, and doctors should be paid much more money for their work, and they usually are.

The amount of money you make from stocks doesn't change much whether the trade is easy or hard to learn. All the many ways stock is used in big cities seem to be just as simple or tricky to learn. One type of trade, whether it's with other countries or within the same country, is not much more complicated than the other. Thirdly, the amount of money people gets paid for their work depends on how steady the job is. Some jobs are more secure than others. In most factories, a skilled worker can probably find work almost every day of the year if they are able to work. A bricklayer can't work in very cold weather or bad weather, and only works when customers need something. As a result, he often doesn't have any. What he gets paid when he's working should not only support him when he's not working, but also make up for the worry and unhappiness he might feel because his job is not secure. Most manufacturers make about the same money as regular workers, but masons and bricklayers make 50% to 100% more than that. In places where regular workers make four or five shillings per week, masons and bricklayers often make seven or eight shillings. And where regular workers make six shillings, masons and bricklayers often make nine or ten. In places like London where regular workers make nine or ten shillings, masons and bricklayers usually make fifteen or eighteen. Learning to be a mason or bricklayer is not very hard compared to other jobs. In London, during the summer, some chairmen are said to work as bricklayers. The reason why the workers are paid a lot is not because they are skilled, but because their job is not guaranteed. A carpenter who builds houses has a more skilled and creative job than a mason. In most places, his daily pay is usually a little bit lower, but not always. His job doesn't rely solely on when customers need him, and it won't be affected by the weather.

When there is usually a lot of work in a certain area, but suddenly there isn't, the workers' pay goes up a lot compared to the pay of other workers. In London, most skilled workers can be hired and fired by their bosses every day or every week, just like temporary workers in other places. The least skilled tailors make half a crown a day, even though common laborers earn eighteen pence. In little towns and countryside, tailors don't always make as much money as other workers. In London, they sometimes don't have work for a few weeks, especially in the summer.

When jobs are unstable and the work is difficult and dirty, sometimes people who do less skilled work get paid more than those who are highly skilled. A coal miner who gets paid for each piece of coal they mine usually makes about twice the typical wage in Newcastle, and about three times as much in many parts of Scotland, compared to regular laborers. He gets paid a lot because his job is hard, unpleasant, and dirty. He can work as much as he wants. The coal workers in London have a tough and dirty job that is almost as hard as coal miners. Because coal ships don't arrive regularly, many of them don't have steady work. If coal miners often make two or three times more money than regular workers, it should not be surprising that coal heavers sometimes make four or five times more money. A few years ago, when their situation was looked into, it was discovered that they could make between six and ten shillings per day with the pay they were getting at that time. Six shillings is a lot more money than what most people make from working in London. In every type of job, the lowest wages are what most people earn. No matter how much money someone makes, if it's more than enough to cover all the problems with the job, then there will be a lot of other people who want to do the same job. This will make the money they make less.

CONCLUSION

Studying the reasons for differences in wages and profits in the economy shows that there are many different factors that affect how much money people make and how much businesses earn. Your level of education, your skills, and the type of job you have all affect how much you get paid. But, what people think about different jobs and the rules and guidelines in place also have a big impact on wages. The research shows that it's important to make sure everyone has the same chances to go to school and get trained so that they can be paid fairly. Furthermore, competition in the market, new technology, and changes in what customers want are always affecting how much money businesses can make in different industries. It's important for policymakers, businesses, and people to understand these many influences in order to deal with the always changing world of economic activities. Working to make sure people are paid fairly, helping them learn new skills, and encouraging new ideas can make the economy stronger and fairer, which will help everyone.

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CHAPTER 8

FACTORS INFLUENCING COMPENSATION DISPARITIES: A MULTIFACETED ANALYSIS

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ABSTRACT:

A comprehensive analysis of the factors contributing to compensation disparities across various professions and trades. Drawing on insights from economics and social sciences, the study explores the multifaceted nature of compensation differentials, considering factors such as trust, skill level, education, market competition, societal perceptions, and personal aspirations. The analysis reveals the intricate dynamics shaping wages and profits in economic activities, highlighting the significance of education, skill acquisition, and societal attitudes in determining compensation structures. By understanding these complex influences, policymakers and stakeholders can better address compensation disparities and promote equitable practices in the labor market, ultimately fostering sustainable economic growth and social cohesion. The significance of understanding these diverse influences to promote fair compensation practices and foster sustainable economic growth. By exploring the interplay between various factors shaping compensation structures, this abstract offers insights into the complex dynamics of wage differentials and profit dynamics in economic activities.

KEYWORDS:

Market, Portfolio, Profit, Risk, Stock, Yield.

INTRODUCTION

Goldsmiths and jewelers earn more money than many other workers because they work with valuable materials and are very skilled at their job. We rely on doctors for our health, and on lawyers for our money, life, and reputation. We can't trust people who are not in a good position. They should be rewarded with a high rank in society because the trust they have is very important. It costs a lot of time and money to educate them, so they will charge more for their work. When a person only uses their own skills or tools for work, they don't need to rely on others. If they need to borrow something, it's not about what they do for work, but about whether others trust them and think they are responsible and honest. The reason why profits vary in different types of businesses is not because some traders are trusted more than others. Fifth, the amount of money workers get paid for different jobs depends on how likely it is for the job to be successful [1], [2].

The chances of someone getting a job in their field of study can vary a lot depending on the type of job. In most trades that involve fixing things, you will probably be successful. But in jobs that require higher education, success is less certain. If you send your son to learn how to make shoes from a shoemaker, he will definitely learn. But if you send him to study law, it's very unlikely that he will become good enough to make a living from it. In a completely fair lottery, the winners should get everything that the losers miss out on. In a job where only one person succeeds for every twenty who fail, that one person should get all the rewards that the twenty unsuccessful people should have gotten. The lawyer who is around 40 years old and is finally starting to make money from his career should be paid back for the years of education he went through. He should also be compensated for the training of over twenty other people who may never make any money from it. No matter how high the fees for lawyers may seem,

they never get paid as much as people think. Calculate how much money the shoemakers or weavers make and spend in a year, and you'll see that they usually make more than they spend. If you look at all the lawyers and law students in different law schools, you will see that they don't make much money compared to how much they spend each year. Even if you think they make a lot and spend very little, the reality is still the same. The legal system's lottery is not fair and many honorable jobs, including lawyers, don't make enough money for the work they do. These jobs remain popular, even though they have disadvantages, and people with a kind and generous spirit still want to do them. Two things make them a good choice. First, people want to be known for being really good at something, and secondly, everyone believes in their own skills and luck. To be really good at a job that not many people are good at is a sign of being really smart or having special abilities. People who are really good at something are often admired by the public, and this admiration is part of their reward. How much admiration they receive depends on how good they are at what they do. It's a big part of the money you make as a doctor, even more as a lawyer, and pretty much all of it as a poet or philosopher [3], [4].

There are some talents that people admire, but using them for money is seen as shameful. So, people who use these skills need to be paid enough to cover the time, effort, and money spent to learn them, as well as the criticism they face for using them to make a living. The extremely high rewards given to players, opera singers, and opera dancers. These ideas are based on two main principles: the talents being rare and beautiful, and the belief that it is wrong to use them in this way. At first, it seems strange that we would dislike their personalities but still give them lots of rewards for their skills. If we do one thing, we must also do the other. If people's opinions about these jobs change, the pay for these jobs will go down. More people would try to get the job, and this would cause the pay for the job to go down. There are not many people with such talents, but they are not as rare as people think. Many people are really good at something but they don't want to use their skills for it. And many others can learn to be good at it too, if they're willing to do it the right way [5], [6].

DISCUSSION

Many people have always thought very highly of themselves, which is a problem that has been observed by wise people throughout history. Not many people have paid attention to their silly belief in their own luck. It is even more widespread if it can be done. No one, who is generally healthy and in good spirits, does not have some of it. Most people think they will make more money than they actually do, and they don't worry enough about losing money. Even people who are feeling okay don't think about the risks of losing money enough. We can see that people often value the possibility of winning money a lot, because lotteries are so popular and successful. The world has never had, and will never have, a completely fair lottery where everyone wins back what they lost, because the person running the lottery wouldn't make any profit from it. In state lotteries, the tickets are not worth the price people pay for them, but they often sell for 20-40% more than the original price. The only reason for this demand is the desire to win one of the big prizes. Even the most serious people don't think it's silly to spend a little money for the opportunity to win a lot of money, even though they know they might not win. More than it's worth. In a raffle where the biggest prize is only twenty pounds, even though it's fairer than most other lotteries, people wouldn't want to buy as many tickets. Some people buy lots of tickets and others buy small parts of many tickets to increase their chances of winning prizes. In math, it's pretty much guaranteed that the more tickets you buy, the more likely you are to lose. Taking part in the lottery is like going on an adventure. If you buy more tickets, you are more likely to lose [7], [8].

People often don't realize how likely it is to lose something, and they don't value it enough. We can see this from the small amount of money that insurance companies make. To make

insurance on things like fire or sea risks a business, the price people pay for the insurance must be enough to cover the costs of any losses, cover the expenses of running the business, and make a profit similar to other businesses with the same amount of money invested. The person who pays only this much is paying the right amount for the risk or the lowest price at which they can expect to get insurance. Although some people have made some money from insurance, very few have become rich from it. This shows that the amount of money gained from insurance is not much different from other types of business where people can become rich. Many people don't want to pay for insurance because they think it's too expensive, but they also don't want to take the risk of not having it. In most of the kingdom, almost all the houses are not insured from fire. Many people are more worried about the risk of accidents at sea, and most ships have insurance. Many people sail without any insurance, even during war or at any season. This can sometimes be done without making a mistake. When a big company or a big seller has twenty or thirty ships at sea, they can work together to protect each other. The money saved on insurance can make up for any losses they might have in the normal course of events. Not getting insurance for shipping, like for houses, is usually not because of careful thinking, but just being careless and not thinking about the danger.

Young people are often not afraid of taking risks when they are choosing their careers. They also tend to be very hopeful that they will be successful. The fear of bad things happening doesn't stop people from hoping for good luck. This is especially clear when regular folks are quick to join the military or work on a ship, compared to people from wealthier families who are eager to become doctors or lawyers.

It's clear what a regular soldier can lose. Young volunteers are less afraid in the beginning of a new war and are eager to join, even though they have little chance of getting promoted. They imagine many opportunities to become famous and respected, but these opportunities rarely happen. These dreams of love are so important that they are worth risking their lives for. They are paid less than regular workers and have to work much harder [9], [10].

The chances of winning at sea are not as bad as in the army. A worker's son can often go to sea with his dad's permission, but if he joins the army, it's always without his dad's approval. Other people think he might succeed in one job, but only he thinks he can succeed in the other one. The famous admiral is not as admired by the public as the famous general. Being successful in the navy doesn't bring as much fame and fortune as being successful in the army. The difference is the same for all the lower levels of promotion in both. According to the rules, a navy captain has the same rank as an army colonel, but people don't see them as equal. Since there are fewer big prizes in the lottery, there must be smaller prizes. Regular sailors often have better luck and opportunities for advancement than regular soldiers. The chance for rewards is the main reason why people choose this profession. Even though sailors are very skilled and work in tough conditions, they don't get much reward for their hard work. They just find satisfaction in using their skills and overcoming challenges. Their pay is not higher than the pay of regular workers at the port that decides how much sailors get paid. People who work on ships and travel between ports in Great Britain usually earn similar monthly wages. The wages are mostly influenced by the port with the most sailors, which is the port of London. In London, most workers earn about twice as much as workers in the same type of job in Edinburgh. However, sailors who leave from the port of London usually only make three or four shillings more per month than those who leave from the port of Leith, and sometimes the difference is even smaller. During peaceful times and when working as a merchant, the cost of living in London is between one guinea and about twenty-seven shillings per month. In London, a regular worker can earn about forty to forty-five shillings a month, working at a rate of nine or ten shillings per week. The sailor gets extra food in addition to his pay. Their worth might not always be more than the difference

between what they earn and what a common laborer earns. And even if it is, the extra money won't really benefit the sailor because he has to support his wife and family with his wages at home [11], [12].

The risks and close calls of living an adventurous life often make young people want to do it even more. A caring mom, who is not very wealthy, is often worried to send her son to school in a town near the sea. She's afraid that he might be tempted to become a sailor if he sees the ships and hears the stories of the sailors. We are not bothered by the thought of facing dangers that we can overcome with courage and skill, and it does not increase our pay for any job. Courage and skill won't help in some situations. In jobs that are considered harmful, the pay is usually very high. Unwholesomeness is a type of unpleasantness, and it has a negative impact on how much people get paid for their work.

In every business using money, the profit you make can change depending on how sure you are about getting the money back. Generally, there is less uncertainty in domestic trade than in international trade. And some types of international trade are less uncertain than others. For example, trade to North America is less uncertain than trade to Jamaica. The usual amount of money made increases as the risk goes up. However, it doesn't appear to go up in the same amount, or enough to make up for it all. Businesses are more likely to go bankrupt in risky industries. Being a smuggler is very dangerous, but if it works out, it can also make a lot of money. However, it often leads to financial ruin. The belief that they will succeed makes people take a lot of risks in this business, and there are too many people competing, so the profit goes down to cover the risks. To make up for any losses and to give extra profit, the returns should be more than just the usual profit from stocks. It should be like the profit that insurance companies make. However, if the regular profits were enough for all of this, there wouldn't be more bankruptcies in these businesses than in others.

So, out of the five things that can change how much workers get paid, only two of them affect how much money the business makes: how much people like the job and how safe or risky it is. Most forms of work don't differ much in how pleasant or unpleasant they are, but there is a big difference in how pleasant or unpleasant it is to do physical labor. The money you make from investing in businesses doesn't always go up in the same way that the risk does. This means that in the same area, the profits from different businesses should be more similar than the wages of different types of jobs. A laborer makes a lot less money than a lawyer or doctor. This difference is much bigger than the difference in profits between two different types of businesses. The difference in profits between trades can be misleading because we don't always recognize what should be seen as wages and what should be seen as profit.

Apothecaries are making a lot of money and people think it's too much. This big profit that seems so good is often just the fair pay for the work that was done. The skill of a pharmacist is more delicate and important than any other craftsman, and the trust placed in them is very significant. He helps poor people and also helps rich people when they are not very sick or in danger. He should be paid well for his skills and trust, usually from the money he makes selling his drugs. But the apothecary in a big town may only spend thirty or forty pounds to buy all the drugs they need to sell in a year. He should sell them for three or four hundred, or a thousand percent. Earning money, this may often be only the fair pay for his work, added to the cost of his medicines. Most of the apparent profit is actually money paid to workers but made to look like profit.

In a small town by the sea, a small grocery store will earn forty or fifty percent. If someone invests a hundred pounds in stocks, they might only make a little profit. But a big store owner might only make eight or ten percent profit in the same area. On a stack of ten thousand. The

grocer's shop may be important for the people who live nearby, and the small size of the market may not allow for a larger investment in the business. However, the man must not only make a living from his job, but also do it in a way that matches the skills it needs. In addition to having some money, he needs to be able to read, write, and do math. He also needs to know about many different products, their prices and quality, and where to find them at the best prices. He needs to know everything a successful merchant needs to know, but he can't do it because he doesn't have enough money. Getting paid thirty or forty pounds a year is a good reward for someone who is very skilled at their job. If you take away a big chunk of the money he makes from his capital, there might not be much left, maybe just a normal amount of money that people make from their investments. Most of the money that seems like profit is actually payment for work.

The profit made by retail stores and wholesale stores is not very different in big cities, but it is much more different in small towns and country areas. When ten thousand pounds are used in a grocery store, the grocer's wages are a small part of the profits from such a large amount of money. The rich store owner's profits are almost the same as the profits of the wholesale seller. This is why things sold in the city are usually cheaper, and often much cheaper, than in small towns and villages. Food at the grocery store is usually cheaper, and you can also find cheap bread and meat at the butcher's shop. Bringing groceries to the city costs the same as bringing them to the country. But bringing corn and cattle costs a lot more because they have to come from farther away. The cost of groceries is the same in both places, so they are cheapest where the store charges the least profit. The cost of bread and meat is higher in the big city than in the small village. Even though the profit is lower, they are not always cheaper there, but are often the same price. In articles like bread and meat, the reason that lowers the profit also makes the cost higher. Expanding the market by selling more goods may lower profits because more money is tied up in stocks, but it also raises costs because supplies have to come from farther away. The decrease in one thing and increase in another almost cancel each other out. That's why the prices of grain and animals vary in different parts of the country, but the prices of bread and meat are usually similar.

Although businesses in big cities may not make as much money as those in small towns and villages, it is still possible to become very rich starting a business in a big city, while it is rare to become very rich starting a business in a small town or village. In small towns and country villages, it's hard to sell a lot of things because there aren't many people to buy them. In these places, even if someone makes a lot of money, they won't end up with a big total or be able to save a lot each year. In big cities, trade can grow when there is more money to invest, and a careful and successful person's reputation can grow even faster than their money. He makes more money when he sells more things. The more he sells, the more money he makes. And the more money he makes, the more he saves each year. It's rare for people to become very wealthy in big cities by doing the same job for a long time. Usually, it takes a lifetime of hard work, saving money, and paying attention to succeed. Big profits are sometimes made in those places by speculating. The merchant doesn't have a regular, established, or well-known type of business. He sells corn this year, then wine next year, and then he sells sugar, tobacco, or tea the year after that. He starts a trade when he thinks it will make a lot of money, and he stops it when he thinks it won't make as much money. So, the amount of money he makes or loses does not have a set pattern compared to a successful and famous type of business. A brave person who takes risks can make a lot of money from a few good bets, but they can also lose a lot of money from a few bad ones. This business can only be done in big cities. You can only find the knowledge needed for commerce and communication in places where there is a lot of trade and interaction.

The five things mentioned earlier because big differences in how much people are paid and how much money is made from businesses. But these differences don't change the overall advantages and disadvantages of different jobs. The situation is such that it may result in a small financial gain for some people, but a big one for others. However, for everyone to have equal benefits or drawbacks, three things are needed, even when there is complete freedom. First, the jobs must be well known and have been around for a long time in the area. Second, they should be in their usual and typical condition. Third, they should be the main jobs of the people who have them. First, this fairness can happen only in jobs that are well known and have been around for a long time in the area.

In most cases, wages are higher in new jobs compared to old jobs when everything else is the same. When someone starts a new business, they have to hire workers from other jobs by paying them more money than they would make in their current jobs. It takes a while before the business can afford to pay them less. Industries that rely on fashion and trends are always changing and don't usually last very long. They are not considered to be well-established. People who mainly buy things because they need them are less likely to change their preferences. The same type of product can be popular for many years. Laborers are paid more in manufacturing industries that require more skills, compared to the ones that don't. Birmingham makes mostly manufactured goods, Sheffield makes mostly goods made of metal, and the wages for workers in these two places are different because of the type of goods they make. Starting a new business, opening a new store, or trying a new way of farming is always a risk that the person hopes will make them a lot of money. These earnings can be very good sometimes, but other times they are not as good. Overall, they are not consistent with profits from other older trades nearby. If the project does well, their expectations are usually very high at the beginning. When a trade or practice is well established and widely known, the competition causes it to become like other trades.

Also, this balance in the overall benefits and drawbacks of different jobs can only happen in the usual, or what we can call the normal state of those jobs. The need for different types of work can vary and may be higher or lower than usual at times. In one situation, the benefits of the job are better, in the other they are not as good compared to what most people get. Country work is needed more during hay-time and harvest, so people get paid more at those times. During war, when many sailors are forced from merchant ships to work for the king, there is a higher demand for sailors on merchant ships. This means that their wages usually increase from 27 shillings to 40 shillings or 3 pounds per month. In a failing factory, some workers are willing to accept lower pay rather than find a different job.

CONCLUSION

This study shows how many different things affect how much money people make in different jobs. Many things like trust, skills, competition, and how people see things all work together to decide how much money people make and how much profit businesses make. It's clear that one type of compensation doesn't work for everyone because there are many different factors to consider. Instead, people who make decisions, bosses, and people involved in a situation must understand that compensation plans are complicated and try to make fair and equal practices. By figuring out and fixing the reasons why some people get paid more than others, societies can try to create fairer economic growth. This means making sure everyone gets rewarded properly for the work they do. Furthermore, it's important to keep doing research and talking about this topic in order to improve how we understand it and to make sure that everyone is being paid fairly. In the end, if we look at and fix pay differences in a lot of different ways, we can get closer to making fair and lasting economic systems for everyone.

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CHAPTER 9

INEQUALITIES OCCASIONED BY THE POLICY OF EUROPE

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ABSTRACT:

The systemic disparities perpetuated by European policies, particularly in relation to global trade and colonialism. Adam Smith delves into the socioeconomic ramifications of European dominance, elucidating how these policies have engendered imbalances in wealth, power, and opportunity across nations and peoples. Through incisive analysis, Smith underscores the deleterious effects of exploitative practices, highlighting the widening gap between affluent and marginalized populations. By dissecting the intricate mechanisms through which European policy influences economic and social structures worldwide, Smith's work offers invaluable insights into the enduring legacies of colonialism and imperialism. This seminal piece serves as a poignant reminder of the enduring imperative to address historical injustices and strive towards a more equitable global order.

KEYWORDS:

Absolute Value Inequality, Compound Inequality, Graph, Inequality, Interval Notation, Linear Inequality.

INTRODUCTION

The amount of money you make from owning stocks changes based on how much the things the stocks represent are worth. When the price of something goes up, the profits for the people who sell it also go up. When the price goes down, their profits go down too. Most things can change in price, but some change more than others. All items made by people require a certain amount of work each year to meet the demand. The goal is for the amount produced to be similar to the amount consumed each year. In certain jobs, when people work the same amount, they make about the same amount of stuff. The changes in the price of these items in the market only happen if there is a random change in how much people want to buy them. People buy more black cloth when there is a public mourning. However, since people want plain linen and wool cloth in similar amounts, the price stays the same. However, in some jobs, working hard doesn't always mean making a lot of things. The amount of work put in can produce different amounts of grains, wine, hops, sugar, tobacco, etc. in different years. The cost of goods can change a lot because of changing demand and how much of the product is available. This means that the profit for some sellers will also change along with the price of the goods. The speculative merchant mainly works with these products. He tries to buy them when he thinks their price will go up, and sell them when he thinks their price will go down. Thirdly, this fairness in the overall good and bad parts of different jobs can only happen in jobs that are the main ones for the people who do them. When someone works one job that doesn't take up all their time, they might be willing to work a second job for less money during their free time [1], [2].

In some parts of Scotland, there are still people called cottars or cottagers, but there used to be more of them than there are now. They are like helpers to the landlords and farmers. Their master usually gives them a house, a small garden for vegetables, enough grass for a cow, and maybe a couple of acres of not-so-good farmland as their reward. When the boss needs them to work, he also gives them two pecks of oatmeal a week, which is worth about sixteen pence.

For most of the year, he doesn't need their help, and working on his small land doesn't keep him busy enough. When there were more people looking for work, they were willing to work for very little pay and for less money than other workers. In the past, it looks like they were usual in many parts of Europe. In places where the land is not well taken care of and not many people live, most landlords and farmers couldn't find enough workers to help with the extra work needed at certain times of the year. The money the workers got from their bosses every day or week was not enough for all the work they did.

Their tiny apartment made up a big portion of it. Many writers thought that the daily or weekly pay was all that workers received in ancient times. They also liked to show that the cost of living was very cheap back then. The things that are made with this work often cost less when they are sold than they would otherwise because of what they are. In many parts of Scotland, socks are knitted for a lower cost than they can be made on a machine. These are the tasks done by workers who mostly rely on another job for their main source of income. Every year, over a thousand pairs of Shetland stockings are brought into Leith. They usually cost between five to seven pence per pair. In Lerwick, the main city of the Shetland Islands, I've been told that the typical wage for a day of work is ten cents. In those islands, they make warm socks that cost at least a guinea for a pair. In Scotland, people spin linen yarn just like they knit stockings. They are usually servants hired to do other jobs. Those who try to make a living from these jobs earn very little money. In many places in Scotland, she is good at spinning and can earn twenty pence a week [3], [4].

In rich countries, the market is usually big enough that one trade can keep everyone working in it busy. People in poor countries often have one job but also get some benefits from another job at the same time. But there is a similar example in the main city of a wealthy country. I think London is the most expensive city in Europe for renting a house, but it's also the cheapest for renting a furnished apartment. Housing in London is a lot less expensive than in Paris and even Edinburgh, and it's also very good quality. It might be surprising, but the high price of rent in London actually makes lodging cheaper. House-rent in London is expensive because a lot of people want to live there and landlords charge a lot for rent. Also, it costs a lot to build houses and bring in materials. And people in London often rent whole houses instead of just a room. This all adds to the high cost of house-rent in London. In England, a dwelling-house means everything that is under the same roof. In France, Scotland, and other parts of Europe, it often just means a single floor. A worker in London has to rent a whole house in the area where his customers live. He has a shop on the first floor, and his family sleeps in the attic. He rents out the two floors in the middle of the building to help pay for the rent. He plans to support his family with his job, not with the money from the people who rent rooms from him. In Paris and Edinburgh, people who rent out rooms usually don't have another way to make money. The cost of the room has to cover not only the house rent, but also the family's expenses [5], [6].

DISCUSSION

This is how some jobs are better than others because of the lack of certain things needed for the job, even when there is a lot of freedom. However, Europe's policies, by not letting things be completely free, cause other more significant inequalities. It mostly does this in three main ways. First, by limiting the number of people who can work in some jobs; second, by putting more people in other jobs than there naturally would be; and third, by making it harder for people and money to move between jobs and places. The rules in Europe make it so that some jobs have fewer people competing for them, which creates unequal opportunities for different types of work. This affects the advantages and disadvantages of different jobs. Corporations use their special rights to achieve their goals. The special right of a business group limits the

competition in the town to only those who are part of the trade. In order to become free in the town, you usually need to have worked as an apprentice for a qualified master. The rules of the corporation control how many apprentices a master can have and how long they have to work for. Both regulations are meant to limit the number of competitors in the trade. Limiting the number of apprentices directly holds it back. A long apprenticeship makes it more difficult to start working, because it costs more to learn [7], [8].

In Sheffield, a master cutler can only have one apprentice at a time, according to a rule made by the corporation. In Norfolk and Norwich, a master weaver cannot have more than two apprentices or they will have to pay five pounds a month to the king. No hat maker can have more than two apprentices in England or English plantations. If they do, they have to pay five pounds a month, half to the king and half to the person who sues them in court. Both of these rules, even though they have been approved by a government law, are clearly influenced by the same business-focused mindset that made the Sheffield law. The silk-weavers in London had just been given official permission to work together for a year when they made a rule that said no boss could have more than two apprentices at once. A specific law was needed to cancel this rule.

Seven years used to be the normal time for apprenticeships across Europe in many trades. Long ago, all these organizations were called universities, which is the right Latin name for any organization. The Smith University, the Tailor University, etc. Old charters of ancient towns often contain phrases that we are familiar with. When the first universities were created, the amount of time needed to study to become a master of arts seems to have been based on the time it takes to learn a trade. To become a master in a trade, you need to work for seven years under a qualified master. In the same way, to become a teacher or doctor in the arts, you need to study for seven years under a qualified master [9], [10].

The 5th of Elizabeth law said that people could not work in a trade in England unless they had trained for at least seven years. This rule applied to all trades in market towns. It was also known as the Statute of Apprenticeship. Although the law seems to apply to the whole country, it is actually only enforced in market towns. In smaller villages, people can do different jobs without having years of training for each job, because there aren't enough people to do all the different jobs that are needed. This law only applies to businesses that were started before the 5th of Elizabeth in England and does not apply to businesses started after that time. This limit has led to many rules that seem very silly when considered as rules for the police. For instance, a coach-maker is not allowed to make or have his workers make coach-wheels. Instead, he has to buy them from a master wheel-wright because this trade has been around since before the 5th of Elizabeth in England. A wheel maker who didn't learn from a coach maker can still make coaches or hire others to make them. Making coaches isn't restricted by the law because it wasn't common in England when the law was made. Many manufacturers in Manchester, Birmingham, and Wolverhampton are not covered by the law because they didn't start their businesses in England before the 5th of Elizabeth [11], [12].

In France, how long apprenticeships last can vary depending on where you are and what kind of job you are learning. In Paris, many trades require five years of training. But before someone can become a master at their trade, they often have to work for five more years as an apprentice. In this later time, he is called his master's friend and this time is called his friendship.

In Scotland, there is no overall law that sets the length of time for apprenticeships. The word means different things in different companies. If something is too long, you can pay a small fine to make it shorter. In many towns, a small fine is enough to buy the freedom of any organization. People who make linen and hemp fabric, which are the main things made in the

country, along with other workers who help them like wheel-makers and reel-makers. People can do their jobs in any town without having to pay a fine. In every town, people can sell meat on any day of the week. In Scotland, it's common for apprenticeships to last three years, even for good jobs. Overall, Scotland's laws for businesses are not very strict compared to other European countries.

Every person owns the work they do, and this is the most important type of property. It is very special and should not be taken away. A poor man's most valuable possessions are his strong and skilled hands. It's wrong to stop him from using his hands in any way he wants, as long as he doesn't hurt anyone else. This goes against his most important belongings. This is a clear violation of the freedom of both the worker and the employer who want to hire them. It stops one person from doing what they want, and it also stops others from hiring who they want. To decide if he is suitable for the job, we can trust the employers to make the right decision. It's important to them. The lawgiver is worried about hiring the wrong person, but this worry is unnecessary and unfair.

The long apprenticeships system cannot guarantee that poorly trained workers won't end up selling their products to the public often. When this happens, it is usually because of dishonesty, not because of inability. Even a long training period can't guarantee protection against dishonesty. We need specific rules to stop this misuse. The stamp on silverware and fabric gives the buyer more confidence than any apprentice law. He usually looks at them, but never bothers to ask if the worker had trained for seven years.

Long apprenticeships don't help young people learn how to work hard. A worker who gets paid for each item they make will probably work hard because they make money for everything they make. A beginner is probably not doing any work because they don't have a reason to do it. In lower-level jobs, the rewards of work mainly come from being paid for the work you do. Those who are ready to enjoy the good things in life are also likely to appreciate them and develop a habit of working hard early on. A young man doesn't like to work when he doesn't see any rewards from it for a while. Boys who are sent to learn a trade through public charities usually have to work for longer than usual, and they often end up lazy and not very good at their jobs. The ancient people did not know about apprenticeships.

The responsibilities of the master and apprentice are an important part of modern laws. The Roman law doesn't mention anything about them. I don't know any Greek or Latin word that means the same thing as "apprentice. An apprentice is someone who works for a master to learn a trade for a few years. The master is supposed to teach the apprentice the trade.

Long training before starting a job is not needed at all. The arts are better than regular jobs like making clocks and watches. They don't need a lot of training. The first time someone made these beautiful machines and the tools to make them, it took a lot of thinking and time. It was a great achievement for human creativity. However, once both have been invented and are well understood, explaining to any young man how to use the tools and build the machines should only take a few weeks, maybe even just a few days. In typical mechanic jobs, only a few days of training might be enough. It takes a lot of practice and experience to be skilled with your hands, even in simple jobs. A young man would work harder and pay more attention if he started off as a beginner and was paid based on the amount of work he could do. He would also have to pay for any materials he accidentally ruined while learning. His schooling would be more effective and less boring and costly that way. The master would definitely lose. He would lose all the money he is saving from his job for seven years. Ultimately, the apprentice might end up being the one who doesn't win. He could have more people competing with him in a job that is easy to learn, and once he becomes really skilled, he would not make as much money

as he does now. More competition would mean less money for both the bosses and the workers. The workers, the artists, the secrets, would all be at a disadvantage. However, the public would benefit because the items made by workers would be cheaper to buy.

Corporations and laws have been created to stop the lowering of prices, wages, and profits by controlling competition. In the past, many towns in Europe had the power to create a corporation without needing permission from anyone else. In England, a charter from the king was also needed. However, it seems that the crown used this power more to take money from the people than to protect their freedom from unfair monopolies. People who wanted to form a guild had to pay a fee to the king. If they didn't have permission, they had to pay a yearly fee to the king instead.

The town government was responsible for checking all companies and their rules. The town government controlled and disciplined the companies, not the king. The companies were just a small part of a larger organization.

The people who ran the town were mainly traders and skilled workers. It was in their best interest to make sure there weren't too many goods in the market, so they could keep the demand for their products high. Each group wanted to make rules for this reason. They were okay with other groups making rules too, as long as they could also make their own rules. Because of these rules, each group had to buy things from each other in the town, and it cost more than it should have. But in return, they were allowed to charge higher prices for their own goods. So it was fair for everyone in the town and none of them lost out. However, when they did business with the country, they made a lot of money. This is the trade that supports and makes every town wealthy.

Every town gets all its food and supplies from the nearby countryside. It mostly pays for these in two ways. First, by sending some of the materials that have been made into products back to the country where they were made. This makes the price of the products higher because of the wages of the workers and the profits of their bosses. Second, by sending some of the raw materials and products from other countries or faraway places in the same country to the town. This also makes the price of those goods higher because of the wages of the people who transport them and the profits of the merchants who sell them. The town benefits from making and selling things, and also from trading with other places.

The money that the workers earn and the money that their bosses make is all the money that is gained from the work. So, rules that make wages and profits higher in a town help the town buy more of the country's products with less work. They help people who make and sell things in the town to have an advantage over the people who own land, the farmers, and the workers in the countryside. This disrupts the fairness that would usually happen in the business between them. Every year, all the things that the people in society make are shared between two groups of people. Through these rules, people who live in the town get more of something than they would have without the rules, and people who live in the country get less.

The town pays for the things it imports by exporting goods and other products. The more expensive the second thing is sold, the cheaper the first thing is bought. The town's businesses are growing, while the country's businesses are not doing as well. Doing business in towns in Europe is better than doing business in the countryside. We can see this without needing to do complex calculations, just by making a simple and obvious observation. In every European country, there are at least one hundred people who have become very wealthy by starting small and working in trade and factories in towns. There are not as many people who have become rich by working on farms and improving the land. Businesses should be paid more in the first situation compared to the second situation. This means that workers and company owners will

make more money in the first situation. Stock and labor naturally look for the best work opportunities. So they prefer to go to the town and leave the countryside because it's easier for them.

The people in a town gathering in one place can easily work together. Even the smallest businesses in towns have been included in some kind of organization. Even if not officially part of a group, the businesses still have a mindset of wanting to control who can join, not wanting to share their trade secrets, and making agreements to limit competition. Simple businesses with only a few workers are more likely to form agreements with each other. Six wool-combers are needed to keep a thousand spinners and weavers busy. If they refuse to hire apprentices, they can control the job market and force workers to rely on them. This allows them to demand higher pay for their work, even though it may not be worth that much.

The people in the country live far apart and have a hard time getting together. They have never been included, and they have never tried to be included. No training is needed to become a farmer, which is a major job in the country. After studying fine arts and liberal professions, there might not be any other job that needs as much knowledge and experience. Many books have been written about this topic in many languages, showing that even the smartest people have found it hard to understand. We won't be able to learn much about farming from all these books, even though the authors might act like they know more than the average farmer. Most trades can be explained in a short pamphlet using simple words and pictures. Throughout history, the French Academy of Sciences has published explanations for many different forms of art. Changing the way we work depending on the weather and other things takes more skill and thought than doing the same thing every time.

Farming, including many other types of country work, needs more skill and experience than most types of mechanic jobs. The person who works with brass and iron uses tools and materials that are always the same or very close to being the same. The man who uses horses or oxen to plow the ground uses different tools that can affect his health, strength, and mood in different ways. The things he works on and the tools he uses are always different, so he needs to be careful and use good judgment.

The average farm worker, even though many people think they are not very smart, is usually good at making decisions. He doesn't socialize as much as the mechanic who lives in a town. He speaks in a rough manner and uses words that can be hard for people to understand if they are not familiar with them. He knows more because he thinks about a lot of different things. The other person only focuses on doing one or two simple tasks all day. Many people know that the lower class in the country is better than the lower class in the town, especially those who have spent time in both places for work or out of curiosity. In China and Indos tan, country laborers are said to have higher ranks and wages than most of the people who make things. They would be everywhere, but rules and the company's attitude stop it.

The reason why businesses in towns are usually better than those in the country in Europe is not just because of corporations and their laws. It is backed by many other rules. The high taxes on things made in other countries, and on items brought in by foreign merchants, all have the same goal. The laws for companies allow people in towns to raise their prices without worrying about being outdone by others in their own country. These rules also protect them from foreign competition. The increase in prices caused by both is ultimately paid by the landlords, farmers, and workers in the country, who have rarely opposed the creation of such monopolies. They often don't want to join together, and they easily believe that what's good for a few people in society is good for everyone.

In the past, the towns in Great Britain were better at industry than the countryside, but now it's not as much. Country workers are getting paid more like factory workers, and farmers are making more profit like traders and manufacturers. This is different from what people used to say in the past. This change happened because the towns were given a lot of support for their industry, even though it came later than it should have.

The amount of stocks they gathered became so big that they couldn't make as much money as they used to in their line of work. Every industry has limits, and when there is more competition, the profit gets smaller. The town is making less money so businesses move to the country. This creates more jobs in the country and forces them to pay higher wages. It then moves across the land and gets used for farming, helping to give back some of what it took from the country in the first place. I will later try to show that in Europe, the towns have been the source of a lot of money and improvements in the countryside. And I will also try to prove that even though some countries have become rich this way, it's actually a slow, uncertain, and unnatural process. I will explain the reasons for this in more detail in the third and fourth books of this Inquiry. People who have the same job don't often get together for fun without planning something to harm the public or raise prices. It's not possible to stop these meetings with a law that could be enforced and would be fair and just. Although the law can't stop people in the same job from coming together sometimes, it shouldn't make it easier for them to do so, and it definitely shouldn't make it necessary.

CONCLUSION

A deep look into how European policies have affected the world's economies and societies for a long time. Adam Smith's careful study shows the complicated way that power, unfair treatment, and marginalization were caused by colonial efforts and unequal trade practices. Smith carefully examines the lasting effects of unfair treatment in history. This shows up in the differences in wealth, chances, and progress between countries and people. As we talk more about inequality around the world, Smith's work is an important reminder that we need to deal with unfair systems and make policies that include everyone.

By looking at why some people are poorer and left out of society, we can hope for a fairer world. Smith's ideas make us think again about who has power, support making things right for people who have been hurt, and focus on making sure everyone is included in plans for progress. This is especially for communities who have been left out. We are working together to make things fairer and create a future where everyone is treated with respect and has the chance to succeed. By talking and working together, we can try to make up for past wrongs and make the world more fair and peaceful. Smith's important work is both a record of history and a reminder to take action. It urges us to deal with the effects of the past while working towards a better and fairer future for everyone.

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CHAPTER 10

IMPACT OF REGULATION AND POLICY ON LABOUR MOBILITY AND ECONOMIC INEQUALITY

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ABSTRACT:

The intricate relationship between regulation, policy, labour mobility, and economic inequality. Focusing on the impact of various regulatory frameworks, including those governing trade associations, corporations, settlement, and apprenticeship, the research explores how these regulations shape labour mobility and wage distribution. Through historical analysis and contemporary insights, the study elucidates how regulations can either facilitate or hinder the free movement of labour, thereby influencing the overall distribution of wealth and opportunity within societies. The findings underscore the importance of striking a balance between regulatory measures to foster fair competition while ensuring equitable access to economic opportunities for all members of society. It explores historical perspectives on laws concerning settlement and apprenticeship, elucidating their profound effects on social mobility and economic stratification. By analyzing these dynamics, the abstract underscores the significance of striking a balance in regulatory measures to foster fair competition while ensuring equitable access to economic opportunities for all members of society.

KEYWORDS:

Economic Disparity, Gini Coefficient, Income Gap, Inequality, Poverty, Wealth Concentration.

INTRODUCTION

A rule that makes everyone in the same business in a town put their names and addresses in a public book makes it easier for them to get together. It helps people find each other and gives them a way to connect with others in the same trade. A rule that allows people in the same job to give money to help their poor, sick, widows, and orphans makes it important for them to have meetings. Incorporation makes something necessary and means that the majority's decision will be followed by everyone. In a free trade, everyone has to agree for it to work well, and it will only work if everyone keeps agreeing. Most of a company can make a rule with strict punishments that will restrict competition better and for a longer time than any voluntary agreement. The idea that businesses are needed for better trade regulation is not true. The best way to make sure a worker does a good job is when the customers are the ones who hold them accountable, not their company. The reason he doesn't cheat or slack off at work is because he's afraid of getting fired. A special company makes this rule less effective. A specific group of workers will need to be hired, whether they act good or bad. This is why it's hard to find good workers in many big cities, even in important jobs. If you want your job done well, you should get it done in the suburbs where the workers don't have special treatment and have to rely on their reputation. Then you can bring it into the city secretly. This is how Europe's policy creates inequality in the different jobs people can get. It limits the number of people who can compete for certain jobs, which affects the overall fairness of the job market [1], [2].

Europe's policy creates more competition in certain jobs than there naturally would be. This leads to inequality in the benefits and drawbacks of different jobs. It's really important that we educate enough young people for certain jobs. So, the public or private donors have set up

many scholarships and grants to help them. For this reason, many more people are attracted to these jobs than would be otherwise. In every Christian country, I think most church leaders' education is paid for like this. Only a small number of them pay for their own education. The education is hard, takes a long time, and costs a lot of money. But even if you have it, it doesn't always guarantee a good job. There are too many people looking for work, so they're willing to accept lower pay. This means that even people with a good education might not get the pay they deserve because of all the competition. It would not be right to compare a curate or a chaplain to a regular worker in a trade. The salary of a curate or chaplain can be thought of as similar to the pay of a skilled worker. They each get paid for their work based on the contract they make with their bosses. Until the middle of the 14th century, a curate or parish priest in England was usually paid five merks, which was about the same as ten pounds in today's money. This was set by the decrees of several national councils. During that time, a master mason was paid fourpence a day, which had the same amount of silver as a shilling today. A journeyman mason was paid three pence a day, which is equal to ninepence today [3], [4].

The laborers earned a lot more money than the curate because they worked more hours. The master mason would earn the same amount of money even if he didn't work for one-third of the year. Around the year 1714 during Queen Anne's reign. It is stated that because there hasn't been enough support for curates in some areas, bishops are allowed to give them a yearly payment of at least twenty pounds and no more than fifty pounds. Nowadays, getting paid forty pounds a year as a curate is considered to be good. But even with this law, there are still many curates who are paid less than twenty pounds a year. In London, some shoemakers make 40 pounds a year, and most other skilled workers earn at least 20 pounds a year. This last amount is not more than what common laborers often earn in many rural areas. Every time the government has tried to make rules about how much workers should be paid, it has usually been to make their pay lower instead of higher. The law has often tried to increase the pay of assistant priests, and to make sure that the leaders of churches give them enough money to live on, even if the leaders don't want to. The law hasn't been able to make a difference in either case. It hasn't been able to raise the pay of assistant priests or lower the pay of laborers as intended. This is because assistant priests are willing to accept less pay due to their poor situation and many competitors, and employers are willing to pay more because of competition [5], [6].

DISCUSSION

Large salaries and high positions in the church help to keep its reputation good, even though some lower-ranked church members are not as well-off. The appreciation for the profession also makes up for the low pay they receive. In England and other Roman Catholic countries, the church lottery is more beneficial than it needs to be. The churches in Scotland, Geneva, and other Protestant churches show us that when there are opportunities for education, there will be enough educated and respectable people willing to become priests, even if the pay is not very high. In jobs like law and medicine where you don't make extra money, if a lot of people were trained for free, there would be a lot of competition and you wouldn't make as much money. It might not be worth it for anyone to pay for their son's education in those careers. People who were educated using public charities would be left with very low-paying jobs, which would make the professions of law and medicine lose their respect. Those unsuccessful men, often referred to as intellectuals, are in a similar position to what lawyers and doctors would be in, on the assumption mentioned earlier. In Europe, most people have been trained to work for the church, but many have not been able to become priests for various reasons. They have usually been taught in public schools so their numbers are high and their pay is low [7], [8].

Before printing was invented, the only way for a writer to make money was by teaching or sharing knowledge. This is still a better and more useful job than writing for a publisher, which printing made possible. Becoming a great science teacher requires a lot of time, hard work, intelligence, and knowledge. It's just as hard as becoming a top lawyer or doctor. The famous teacher does not get as much money as the lawyer or doctor because there are a lot of poor people trying to become a teacher, while not many people become lawyers or doctors without paying for their own education. The pay for teachers, both in schools and privately, would be even less if there wasn't competition from writers who are struggling to make a living. Before the printing, scholars and beggars were almost the same. In the past, the leaders of universities often allowed their students to beg for money.

In the olden days, before charities were created to help poor people become educated in skilled jobs, teachers were paid a lot more for their work. Isocrates criticized the teachers of his time for being inconsistent in his speech against the sophists. "He says that they promise great things to their students, like teaching them to be smart, to be happy, and to be fair. But in return, they only ask for a small reward of four or five minae. If someone claims to teach wisdom, they should be wise themselves. Selling such an important thing for such a low price would be very foolish. Four minae were the same as thirteen pounds, six shillings, and eightpence; five minae were the same as sixteen pounds, thirteen shillings, and fourpence. Usually, the most famous teachers in Athens were paid a lot of money, at least as much as the bigger of those two sums. Isocrates asked for £33:6:8 from each student. When he was a teacher in Athens, it's said that he had a hundred students. I think this is the number of students he taught in one class or course of lectures. This number doesn't seem surprising considering he was a well-known teacher in a big city and was teaching a very popular subject, rhetoric.

Carneades was originally from Babylon. The Athenians were very picky about letting foreigners hold important roles, so they must have thought highly of him. This inequality is probably more helpful than harmful to the public. Cheap education is good, even though it might make teachers look less important. The people could benefit more if schools and colleges had better rules in Europe. Thirdly, in Europe, the rules make it hard for workers and goods to move around freely. This can cause unfair differences in the benefits and drawbacks of different jobs. The law of apprenticeship makes it hard for people to move between different jobs, even in the same area. The special rights of companies make it hard to move to a different job, even within the same company [9], [10].

Often, some workers get paid a lot in one job while others barely make enough to live on in another job. One business is growing and needs more workers all the time. The other business is struggling and has too many workers. Those two companies may be located near each other, but they can't help each other. The law about apprenticeships could be against it in one situation, and a company that only allows certain people to join could be against it in another situation. In a lot of companies, the work is very similar, so the workers could switch jobs easily if there weren't silly laws stopping them. The way of making plain linen and plain silk is very similar. Weaving plain wool is a little bit different, but it's not too different. Someone who knows how to weave linen or silk could learn to weave wool pretty quickly. If one type of business was not doing well, the workers could find work in another type of business that was doing better. This way, their wages would not be too high or too low.

In England, everyone is allowed to make linen according to a law, but it's not popular in most of the country. This means that people who have lost their jobs in other industries don't have many options. They may have to rely on the government for help or work in jobs that they are not skilled for. They usually prefer to rely on the parish for help. Anything that makes it difficult for people to move from one job to another also makes it difficult for businesses to

invest in new opportunities. The amount of money that can be used in a business depends on how many people can work there. Business laws make it easier to trade shares than to move workers from one place to another. Rich merchants can trade in towns more easily than poor workers can work in them [11], [12]. The rules that companies follow make it difficult for people to move freely for work. This is a problem in all of Europe, I think. The help given to people in need by the poor laws is something that is only found in England as far as I know. It is hard for a poor person to live and work in a place where they are not from. Only the work of craftsmen and manufacturers is restricted by corporation laws. It's hard to get paid even for regular work because settlements are hard to obtain. It is important to talk about how this problem started, grew, and where it is now. This problem is one of the biggest in the police of England.

This law made it necessary for each parish to take care of their own poor people. Who should be seen as the poor in each area was a pretty important question. This question was finally decided by the laws passed in the 13th and 14th years of Charles II. When a person lived in a place for 40 days without any problems, they could stay there permanently. But if the church leaders or the people in charge of helping the poor complained, two judges could make them move back to their old home, unless they rented a house for 10 pounds a year or could show that they could take care of themselves in their new home. Some people broke the law by paying poor people to secretly move to a different area and hide for 40 days so they could get benefits there instead of where they actually lived. It was made a law by King James II. A person needs to live in one place for forty days without leaving in order to be considered a settled resident. They have to tell the church leaders in writing where they are living and how many people are in their family. The forty days start from the day they tell the church leaders. The parish officers were not always honest about their own matters, and sometimes allowed people from other areas to intrude without doing anything about it. Every person in a neighborhood should try to stop unwanted people from coming in. This was made into a law by King William III. The 40 days start when the notice is written and read in church on Sunday after the service.

Dr Burn says settlements like this are rarely given and the purpose of the law is to prevent people from secretly settling in a parish. Giving notice is just a way to make the parish remove them. "If someone is not sure if they can be removed from a place or not, they can tell the authorities and make the place let them stay for 40 days or move them to settle the issue. This law made it very hard for a poor person to move to a new place by living there for forty days. But so that it doesn't seem like the regular people in one parish can never make a home in another parish, it set out four other ways to gain settlement without any notice. The first way was by paying taxes to the parish and the second was by getting elected to a yearly parish job and working for a year. The third way was by doing an apprenticeship in the parish and the fourth was by getting hired to work there for a year and staying in the same job for the whole year. No one can get help in the town unless everyone in the town agrees to it. They won't help someone who has no money and only works for a living. They also won't make him pay taxes or give him a job in the town. No man who is married can easily get a place to live in either of the two ways mentioned. An apprentice rarely gets married and the law says that a servant who is married cannot gain settlement by being hired for a year. The main result of introducing settlement by service has been to reduce the practice of hiring someone for a year. It used to be very common in England to hire someone for a year, but now it's not as common because of settlement by service. If no specific time period is agreed upon, the law assumes that every servant is hired for a year. Masters don't always want to hire servants in this way, and servants don't always want to be hired this way either. This is because when they are hired in a new place, they might lose their home and family that they have in their original place. It's clear that

a worker on their own, whether a laborer or a skilled worker, is not likely to get a new job through an apprenticeship or by working for someone else. So if someone moved to a new area and worked hard, they could be asked to leave by the churchwarden or overseer. Unless they rented a house or could provide security approved by two justices of the peace. But for someone who only makes money from their work, it's impossible to afford a house that costs ten pounds a year.

They can decide how much security they need, but they should ask for at least thirty pounds. It's been decided that buying a property worth less than thirty pounds won't allow someone to stay in the parish. However, not many people who work for a living can provide this level of security. Often, even more security is required. To help people move around for work more easily, they came up with the idea of certificates. This was to undo some of the restrictions put in place by different laws. During the rule of William III in the 8th and 9th years of his reign. It was decided that if someone had a paper from the town where they last lived, signed by the people in charge and approved by two judges, then any other town had to let them live there. They couldn't be kicked out just because they might need help, only if they actually needed help. And if they did, the town that gave them the paper had to pay for their living and moving costs. To make sure the parish is safe, the law said that a man with a certificate could only live there if he rented a house for at least ten pounds a year or worked for the parish for a year.

He couldn't gain the right to live there by any other way like serving as an apprentice or paying taxes. How much this invention has brought back the freedom for people to move for work, which was mostly taken away by the previous laws, we can understand from the smart observation of Doctor Burn. "It is clear," he says, "that there are many good reasons for requiring certificates from people who come to live in a new place. For example, without a certificate, people can't become settled in the area through apprenticeship, work, giving notice, or paying taxes. They also can't bring in apprentices or workers. If they need help, the parish will know where to send them and will be paid for the costs. And if they get sick and can't be moved, the parish that gave the certificate is responsible for their care. So, a certificate is really important for all of these reasons should parishes not give certificates for people in most cases. Because there's a good chance they'll end up back there in an even worse situation. This shows that parishes should always ask for certificates from a poor person moving in and should rarely give them to someone leaving. "This author is saying that getting a certificate can be difficult. It gives power to a parish officer to keep a person in one place for life, even if it's not good for them to stay there.

A certificate doesn't show if someone has been good or not, it just shows which parish they are from. The parish officers can decide whether to give it to someone or not. Doctor Burn said that a man named Damus wanted to make the church-wardens and overseers sign a certificate, but the Court of King's Bench said no to this strange request. It's clear that a worker on their own, whether a laborer or a skilled worker, is not likely to get a new job through an apprenticeship or by working for someone else. So if someone moved to a new area and worked hard, they could be asked to leave by the churchwarden or overseer. Unless they rented a house or could provide security approved by two justices of the peace. But for someone who only makes money from their work, it's impossible to afford a house that costs ten pounds a year. They can decide how much security they need, but they should ask for at least thirty pounds. It's been decided that buying a property worth less than thirty pounds won't allow someone to stay in the parish. However, not many people who work for a living can provide this level of security. Often, even more security is required. To help people move around for work more easily, they came up with the idea of certificates. This was to undo some of the restrictions put in place by different laws. During the rule of William III in the 8th and 9th years of his reign.

It was decided that if someone had a paper from the town where they last lived, signed by the people in charge and approved by two judges, then any other town had to let them live there. They couldn't be kicked out just because they might need help, only if they actually needed help. And if they did, the town that gave them the paper had to pay for their living and moving costs. To make sure the parish is safe, the law said that a man with a certificate could only live there if he rented a house for at least ten pounds a year or worked for the parish for a year.

He couldn't gain the right to live there by any other way like serving as an apprentice or paying taxes. How much this invention has brought back the freedom for people to move for work, which was mostly taken away by the previous laws, we can understand from the smart observation of Doctor Burn. "It is clear," he says, "that there are many good reasons for requiring certificates from people who come to live in a new place. For example, without a certificate, people can't become settled in the area through apprenticeship, work, giving notice, or paying taxes. They also can't bring in apprentices or workers. If they need help, the parish will know where to send them and will be paid for the costs. And if they get sick and can't be moved, the parish that gave the certificate is responsible for their care. So, a certificate is really important for all of these reasons parishes not give certificates for people in most cases. Because there's a good chance they'll end up back there in an even worse situation. This shows that parishes should always ask for certificates from a poor person moving in and should rarely give them to someone leaving. "This author is saying that getting a certificate can be difficult. It gives power to a parish officer to keep a person in one place for life, even if it's not good for them to stay there. A certificate doesn't show if someone has been good or not, it just shows which parish they are from. The parish officers can decide whether to give it to someone or not. Doctor Burn said that a man named Damus wanted to make the church-wardens and overseers sign a certificate, but the Court of King's Bench said no to this strange request.

In the past, people also tried to control how much money merchants and other sellers made by controlling the prices of food and other items. The rule about how much bread you can make is the only thing left from this old tradition, as far as I know. In a company that has control over something, it might be okay to set a price for an important thing. But if there's no control, then people competing will set better prices than any rules. The way of setting the size of bread, made official by the 31st George II. In Scotland, they couldn't do it because the law was missing something and the person who was supposed to make it happen doesn't exist in Scotland. This problem was not fixed until the time of George III. Not having a set standard for measurements didn't cause any noticeable problems, and having one in the few places where it's been set up hasn't made any noticeable difference. In most towns in Scotland, there is a group of bakers who have special rights, but they are not always enforced very strictly. The ratio of wages and profit in different jobs doesn't change much, whether the society is rich or poor, growing or declining. Changes in public welfare can impact wages and profits, affecting all industries in the same way. The ratio between them must stay the same and cannot easily be changed for a long time by any big changes.

CONCLUSION

The study highlights how rules and policies affect how workers can move between jobs and how rich and poor people. Throughout history, rules about trade groups, businesses, where people live, and learning have greatly affected how money and chances are shared in societies. The test shows that some rules help make competition fair and make it easier for people to change jobs, but others can accidentally make it harder for some people to compete and make economic differences worse. In the future, people in charge need to focus on making rules that help the economy grow, but also make sure everyone has a fair chance at opportunities. This will help make things better for everyone and make the future better for all of us. The study

showed that rules about business groups, companies, where people live, and learning a trade can make it easier or harder for workers to move around, which affects how much money they make. It's clear that we need to find a balance between promoting fair competition and making sure everyone has a chance to succeed in the economy. In the future, leaders need to think about how rules and decisions affect people's ability to find work and how much money they have. They should try to make a place where everyone can do better and there is more money for everyone. By solving these problems, cities can create economies that include more people and are better for the environment.

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CHAPTER 11

ECONOMIC ANALYSIS OF RENT IN AGRICULTURAL PRODUCTION AND LAND USE

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ABSTRACT:

The economic analysis of rent in agricultural production and land use. It investigates the concept of rent as the price paid for land usage and its implications on agricultural practices. The analysis explores how landlords optimize lease terms to maximize their share of agricultural produce, leaving tenants with the minimum necessary for sustenance. Various factors affecting rent, such as land fertility, location, and market demand, are examined to understand the dynamic nature of agricultural rent. Additionally, the study discusses historical perspectives on agricultural practices and the impact of improvements, such as enclosure and cultivation techniques, on rent and profitability. Furthermore, the study elucidates the influence of specific agricultural products, like vineyards and orchards, on rent and profitability, emphasizing the role of market demand and scarcity in determining rent levels. Through this comprehensive analysis, the study provides insights into the economic dynamics shaping agricultural rent and land utilization practices.

KEYWORDS:

Cost-Benefit Analysis, Economic Indicators, Econometrics, Macroeconomics, Microeconomics, Regression Analysis.

INTRODUCTION

Paying to use land is called rent. The amount of rent paid depends on what the tenant can afford and the condition of the land. When the landlord changes the lease agreement, he tries to make sure the farmer only gets enough of the crops to cover the costs of seeds, labor, animals, and other tools needed for farming, as well as a normal profit for farming in the area. This is obviously the lowest amount that the tenant can be okay with, without losing money, and the landlord usually doesn't plan to give them any more. The farmer tries to keep the extra amount of the produce or its price for himself as the rent for his land. This is the highest amount the tenant can pay based on the current situation of the land. At times, the landlord may accept less than the usual portion of profit due to their generosity or lack of knowledge. And sometimes the tenant may agree to pay more or less than the usual farming profits because they don't know any better. This part may be seen as the normal amount of money paid for using land, or the amount of money that land is supposed to be rented for most of the time [1], [2].

The money a landlord earns from renting out their land is often just enough to make a fair profit on the money they invested to improve the land. This might be true sometimes, but it is probably not true all the time. The owner wants money for the land, even if it's not developed. And if the land is improved, they'll ask for even more money on top of that. The changes are not always made by the landlord's money, but sometimes by the tenant's money. When it's time to renew the lease, the landlord usually asks for the same increase in rent as if they had made all the improvements themselves [3], [4].

He sometimes asks for rent for something that can't be improved by humans at all. Kelp is a type of seaweed. When it is burned, it makes a kind of salty substance that can be used to make glass, soap, and other things. It grows in different places in Great Britain, especially in

Scotland, on rocks that are only covered by the sea at high tide and have never been changed by people. The landlord who owns this land next to the kelp shore wants to be paid for it just like he gets paid for his fields of corn.

The ocean near the Shetland Islands has a lot of fish, and the people there rely on the fish for food. However, in order to benefit from the food that comes from the water, they need to have a home on the nearby land. The landlord charges rent based on how much money the farmer can make from both the land and the water, not just the land alone. It is partially paid in sea-fish; and in that country, rent is one of the very few cases where it's part of the price of that commodity. The price paid to use the land is a monopoly price. The rent should not be based on what the landlord spent on improving the land or what they want to make, but on what the farmer can afford to pay [5], [6].

Only the parts of the crops that can be sold for a price that covers the cost of production and makes a profit are usually brought to the market. If the regular price is higher than this, the extra part will go to the landowner as rent. If the price isn't high enough, the landlord won't make any money selling the product. The price depends on how much people want it. If more people want it, the price will go up. Some farm products will always sell for a high price because people always want them. Other products may or may not sell for a high price, depending on demand. The old tenant always has to pay rent to the landlord. Sometimes it can happen, and sometimes it can't. It depends on the situation.

Rent is part of the price of things, but it works differently than wages and profit. High or low pay and profit can make prices go up or down. And high or low rent can be the result of that. The price of a product is high or low because companies have to pay high or low wages and make a profit in order to bring the product to market. It's because the price is high or low that it can give a high, low, or no rent. First, we will look at the parts of the land's crops that always make money. Then we will look at the ones that sometimes make money and sometimes don't. Lastly, we will look at how the value of these crops changes over time compared to each other and to things that have been made. This will be divided into three parts.

Land always produces things that can be rented. Like all animals, men have more babies when there is plenty of food. So, food is always needed. Someone can always hire or ask for more or less work from someone else, and there will always be someone willing to do it in order to get paid. The amount of work it can buy is not always the same as the amount it could support if it was managed in the cheapest way. This is because sometimes workers are paid a lot of money. But it can always buy as much work as it can support at the regular rate in that area. Land usually grows more food than needed to support the workers who bring it to market, even when they are well taken care of. The extra amount is always enough to replace the goods and the money made from those goods. So the landlord always gets some money [7], [8].

The dry lands in Norway and Scotland have enough grass for cows. The milk and new cows are more than enough to cover all the costs and make some profit for the farmer and the landowner. The higher the quality of the pasture, the more the rent goes up. The same amount of land can hold more cows. When the cows are closer together, it's easier to take care of them and collect the things they make. The landlord makes money from both the increase in crops and the decrease in the amount of work needed to maintain them.

DISCUSSION

The cost of renting land depends on how good the land is for growing crops, as well as where the land is located. Land close to town is more valuable and can be rented for more money than land that is just as good but further away in the country. While it may take the same amount of

work to grow both crops, it will always be more expensive to bring the crops from a faraway place to sell. More work needs to be done, so there is less left for the farmer's profit and the landlord's rent. However, in faraway areas of the country, the amount of money earned is usually greater than in the area near a big city. A smaller amount of the remaining extra money must go to the landlord.

Improved roads, canals, and rivers that can be traveled on make it cheaper to transport goods. This allows faraway places to be more similar to those near the town. They are the best improvements for that reason. They support growing crops in faraway areas, which should always cover the largest part of the country. They help the town by reducing the country's control in the area. They are good for that area of the country. Even though they bring in some competing products to the existing market, they also create many new markets for their own products. Monopoly is not good for how things are controlled. It can only be stopped by competition, which makes everyone use it to protect themselves. Not long ago, some counties near London asked the government to not extend the turnpike roads into the more distant counties. Those far away counties thought they could sell their grass and corn for less money in London because they have cheaper labor. This would lower their rents and ruin their farming. Since then, the rent for their land has gone up and they have worked harder on their farms. A corn field that is in okay condition makes more food for people than the best pasture of the same size. Although it takes a lot of work to grow, the extra harvest after replacing the seeds and taking care of the crops is also much bigger. If a pound of meat was never supposed to be worth more than a pound of bread, then the extra meat would be more valuable everywhere. This would bring more profit for the farmer and more rent for the landlord. It seems to have happened everywhere at the start of farming [9], [10].

The worth of bread and meat are not the same at different times in farming. In the early days, the wild areas of the country were left for the cattle to roam freely. There is more meat than bread, so bread is in high demand and costs more. In Buenos Ayres, Ulloa said that forty or fifty years ago, an ox chosen from a group of two or three hundred would cost four reals, which is the same as one-and-twenty pence halfpenny sterling. He didn't mention the price of bread because he didn't think it was special. A person there said that it doesn't cost much to buy an ox, just the effort it takes to catch it. However, growing corn requires a lot of work. In a country near the river Plate, where the main road from Europe to the silver mines of Potosi is located, the cost of labor is very low. When farming spreads over most of the country, things change. There is more bread than meat available. The competition is shifting, and now meat costs more than bread. Farming makes the wild areas not good enough to provide enough meat. A lot of the farmlands need to be used for raising and fattening cows. The price of the cows must be enough to cover the cost of taking care of them and also the money the landowner and farmer could have made from using the land for growing crops. Cows raised on wild land and cows raised on improved land are sold for the same price at the market based on their weight or quality. The owners of the moors make money from it and charge higher rent for their land when the price of their cattle goes up. Less than 100 years ago, in many parts of the Scottish Highlands, meat was as cheap as or even cheaper than oatmeal bread. The Union allowed Highland cattle to be sold in the English market. Currently, the usual price is about three times higher than it was at the start of the century. Also, the rents for many Highland properties have gone up by three or four times during the same time. In most of Great Britain, a pound of the best meat from a butcher is generally worth more than two pounds of the best white bread, and sometimes even three or four pounds in good years.

So, as things get better, the money made from unused fields is affected by the money made from fields that are being used, and that in turn is affected by the money made from growing

crops. Corn grows every year, but butcher's meat takes four or five years to grow. One type of food grows less on an acre of land than another type, so the lower amount needs to be sold at a higher price to make up for it. If farmers get paid more for pasture land, they will turn more corn fields into pasture. But if they don't get paid more, they will change some pasture back into corn fields. This means that the rent and profit people make from growing grass and corn are the same. It also applies to land that produces food for cattle and land that produces food for people. But this only happens on most of the improved land in a big country. In certain places, grass makes more money than growing corn. So, near a big city, the need for milk and food for horses, along with the expensive meat, can make the price of grass go up compared to the price of corn. This local benefit is clear and cannot be given to faraway places [11], [12].

Certain situations have made some countries very crowded, so much so that there wasn't enough land to grow enough food for everyone. Just like the area around a big city. So they mainly used their lands to grow grass and corn. Grass is bulky and hard to transport, so it's better to grow it locally. Corn, which is the main food for most people, was mainly brought in from other countries. Currently, Holland is in this situation, and it seems like a large part of ancient Italy was in a similar situation when the Romans were doing well. Old Cato said that the most important thing in managing a private estate is to feed well. The second most important thing is to feed okay, and the least important thing is to feed poorly. He only made a small amount of money from ploughing, it wasn't very profitable for him. Farming in the area near Rome in ancient Italy was called tillage. They were probably very upset about how the corn was given out to people for free or at a very cheap price. This corn was brought from the provinces that were taken over, and instead of paying taxes, they had to give one-tenth of their crops to the republic at a fixed price of about sixpence per peck. The cheap corn given to the people made it harder for farmers in Latium to sell their crops in the Roman market and made them not want to grow corn anymore.

In a place where they grow a lot of corn, a small piece of land for animals can sometimes be rented for more money than a larger field for growing corn. It is useful for taking care of the cows used to grow corn. The high rent it earns is not from its own value, but from the value of the corn fields it helps grow. It might fall if the surrounding lands are all closed off. The reason why the rent for land in Scotland is very expensive right now is because there is not enough land available. This situation may not last for a long time. Enclosing land is better for grazing animals than for growing crops. It helps farmers because they don't have to watch over their cows all the time. This way, the cows can eat peacefully without being bothered by the farmer or his dog.

However, if there is no local benefit like this, the rent and profit of grains, or whatever else is the common food of the people, will naturally determine the rent and profit of grazing land. People use fake grass, turnips, carrots, and cabbages to feed more animals on the same amount of land. This should help make meat prices closer to the price of bread in a developed country. It looks like it happened; and there is some evidence to suggest that, at least in London, the price of meat compared to the price of bread is much lower now than it was at the start of the 1700s. In the back of the book about Prince Henry's life, Doctor Birch tells us how much Prince Henry usually paid for meat. It is said that the four parts of a cow, weighing 600 pounds, usually cost him nine pounds and ten shillings, or around thirty-one shillings and eight pence per hundred pounds. Prince Henry passed away on November 6, 1612, when he was 19 years old.

In a garden where hops, fruits, and vegetables are grown, the landlord makes more money and the farmer makes more profit compared to a field of acorns or grass. But it costs more money to get the ground into this condition. So, the landlord will need to be paid more money for rent. It also needs careful and skillful handling. So the farmer makes more money. The harvest,

especially in the hops and fruit garden, is not as reliable. Its cost should cover any losses and also provide a profit, like insurance. Gardeners usually work hard, but they don't always get paid a lot for their hard work. Many rich people do the enjoyable art as a hobby, so those who do it for money don't make much profit. The rich people who would be their best customers already have all the best artwork they need.

The landlord only benefits from making improvements when the gain is equal to the cost of making the improvements. In old farming, the garden next to the grapes was thought to be the most important for growing good food. Democritus, who wrote about farming around two thousand years ago, didn't think it was a good idea to fence in a kitchen garden. He was considered one of the founders of the farming. He said that the profit wouldn't cover the cost of a stone wall. Bricks got damaged by the rain and winter storms and needed a lot of repairs. Columella agrees with Democritus and suggests a simple way to make a strong fence using brambles and briars. He says he tried this method and it worked well. It wasn't well known in Democritus' time. Palladius agrees with Columella's idea, which had been supported by Varro before. According to the people in the past, a kitchen garden didn't produce much and it cost a lot of money and effort to take care of it. They believed that in hot countries, like now, it was important to have access to water for the garden. They used water from a stream to water every part of the garden. In most of Europe, a kitchen garden is not thought to need a better fence than the one suggested by Columella. In places like Great Britain and some other cold countries, the best fruits can only grow well with the help of a wall. So, the cost of these goods in those countries has to be enough to cover the cost of making and keeping them. The fruit-wall often surrounds the kitchen garden, so it has a fence that helps it grow fruits that it wouldn't be able to afford otherwise.

Ancient farmers believed that the vineyard was the most important part of the farm when it was grown and taken care of well. This is still true in wine-producing countries today. "But the ancient Italian farmers argued about whether it was a good idea to plant a new vineyard, as we can see from Columella's writings. " He chooses the vineyard because he really likes growing things. He tries to prove that it's a good investment by comparing the money it makes with the money it costs. Often, comparing the money gained and spent on new projects is not accurate, especially in farming. If the plantations had actually made as much money as he thought they could have, there would be no argument about it. The people in wine countries still argue about the same thing today. The people who write about farming prefer vineyards, just like Columella. In France, the owners of the old vineyards are worried about new vineyards being planted. They think that growing grapes for wine is more profitable than anything else in the country right now. It appears that the higher profit from growing grapes may not last once the laws restricting vine cultivation are changed. In 1731, a rule was made that said people couldn't plant new grape fields or restart grape fields that hadn't been used for two years without permission from the king. The king would only give permission if the local leader said the land couldn't be used for anything else. This order was for the lack of food and fields, and the abundance of wine. If there had been too many grapes, it would have stopped people from planting new vineyards because they wouldn't make as much money from grapes as they do from corn and other crops. In areas of France where there are lots of vineyards, there is still enough corn because they make sure to plant it in good land. This is true in places like Burgundy, Guienne, and Upper Languedoc. The many people working in farming help support other industries by buying their products. Reducing the number of people who can afford to buy it is not a good way to encourage people to grow corn. It's like a rule that would help farmers but hurt factories.

The income from crops that need a lot of money to improve or cultivate is determined by the income from common crops like corn and pasture. This can sometimes happen when there isn't enough land to produce the amount of crops that people want to buy. The farmers can sell all of their crops to people who are willing to pay a little more than what it cost to grow and sell the crops. This extra money covers the cost of rent, labor, and profit for the farmers. The extra money left over after paying for all the work to improve and take care of the land may not always be consistent when compared to the extra money made from growing corn or raising animals. The landlord usually gets most of the extra money. The normal ratio between the rent and profit of wine, and those of corn and pasture, only applies to vineyards that produce regular wine that can be grown easily on different types of soil. Only vineyards that are common to the country can compete with each other. Other vineyards that are of a unique quality cannot compete.

The vine is influenced by the type of soil more than any other fruit tree. Some people think that it has a special taste that cannot be matched by any other culture or management. This taste, whether it's real or made up, is sometimes only found in a few vineyards. Other times, it covers most of a small area or even a big province. Not enough of these wines are being sold to satisfy the demand of those who are willing to pay the normal costs for making and selling them. Therefore, the entire amount can be sold to people who are willing to pay more, which means the price will be higher than that of regular wine. The difference is bigger or smaller depending on how popular and rare the wine is, and how eager the buyers are to get it. Most of the money goes to the landlord as rent. Although these vineyards are usually better taken care of than others, the expensive price of the wine is the reason for the careful cultivation, not the result of it. This valuable product is so important that even people who are usually careless have to be careful because the loss from being careless is very big. A small amount of the high price is enough to cover the wages of the hard work put into growing these things and the profits of the investment needed for that work. The European countries had sugar colonies in the West Indies, which were like valuable vineyards. Their production is not enough to meet the demand in Europe. They can only sell their products to people who are willing to pay more than what it costs to produce and bring them to market. In Cochin China, the best white sugar usually sells for three piastres per quintal, which is about thirteen shillings and sixpence in our money. This information comes from Mr. Poivre, who is a keen observer of the farming in that country. The quintal, which weighs between 150 to 200 Paris pounds or about 175 pounds on average, makes the price of a hundred weight of sugar about 8 shillings sterling. This is much cheaper than the price of brown or muscovada sugars imported from our colonies, and even cheaper than the finest white sugar. Most of the farmland in Cochin China is used to grow corn and rice, which is the main food for most people. The prices of corn, rice, and sugar are likely in the natural proportion that occurs in most cultivated land. This benefits the landlord and farmer by covering the costs of improvement and yearly cultivation. However, in our sugar colonies, the price of sugar is not related to the price of rice or corn in Europe or America. Many people believe that a sugar farmer hopes to make enough money from selling rum and molasses to cover the cost of growing the sugar and make a profit from selling it. If this is true, which I am not saying it is, it's like a farmer expecting to make money from the waste of farming and not just the crops. Often, groups of business people in London and other trading towns buy empty land in our sugar plantations. They hope to make money by farming the land with the help of workers and representatives, even though it's far away and difficult to predict profits due to problems with the legal system in those countries. No one will try to make the most fertile lands in Scotland, Ireland, or the corn provinces of North America better, even though they could produce more crops if the laws were enforced better. In Virginia and Maryland, people prefer to grow tobacco because it makes more money than growing corn. Growing tobacco in Europe is good, but it is heavily taxed in almost every country. It would be hard to tax every

farm that grows it, so it's easier to tax it when it's imported. Growing tobacco has been prohibited in most of Europe, which gives a monopoly to the countries where it is allowed. Virginia and Maryland produce the most tobacco, so they benefit a lot from this monopoly. Growing tobacco doesn't seem to be as beneficial as growing sugar. I've never heard of any tobacco farm made better by British merchants. Our tobacco colonies don't have as many rich farmers as our sugar islands do. Although the people in the colonies prefer to grow tobacco instead of corn, it seems like Europe has enough tobacco for its needs. The price of tobacco is high enough to cover all the costs of producing and selling it, but it's probably not as high as the price of sugar. Our tobacco farmers have the same worry about growing too much tobacco as the owners of old vineyards in France have about having too much wine. The government made a law that only six thousand tobacco plants can be grown per person, and it's expected to produce 1000 pounds of tobacco for every person aged 16 to 60. A black person can also handle about four acres of corn in addition to this amount of tobacco. To avoid having too much tobacco, sometimes in good years, Dr. Douglas said they burned some of it for each person, like the Dutch do with spices. If we have to use violent methods to keep tobacco prices high, it may not be better than growing corn for much longer. This is how the rent for farmland that grows food for people affects the rent for most other farmland. If a type of farm product doesn't make enough money, the land will be used for something else. If a certain product usually makes a lot of money, it's because there isn't enough land to meet the demand for it.

In Europe, corn is the main crop that is grown for people to eat. In most cases, the cost of renting land to grow corn determines the cost of renting other types of cultivated land in Europe. Britain does not need to be jealous of the vineyards in France or the olive plantations in Italy. Unless there are special circumstances, the value of these things is controlled by the value of corn. Britain's land is almost as fertile as the land in those two countries. If the most popular vegetable in a country comes from a plant that grows in abundance on the same type of land where corn is grown, the landlord can make more money from the surplus of food after paying for labor and replacing the farmer's stock. No matter how much labor was usually paid in that country, having a bigger surplus could always pay for more of it. This means the landlord could buy or control more of it. His rent, power, and ability to get what he needs from others would be worth a lot more.

A rice field makes more food than a really good corn field. Two times a year, farmers can grow between thirty to sixty bushels of crops on one acre of land. Growing it takes more work, but there is more left over after paying for all the work. In countries where rice is the main food and farmers grow it to make a living, the landlord should get a bigger share of the extra rice compared to countries where corn is the main food. In Carolina, the people who grow crops are also the ones who own the land. They make more money growing rice than corn, even though they only grow one crop a year. And even though rice isn't as popular there as it is in Europe. A good rice field is always wet and during one season it is covered with water. This land is not good for growing crops like corn, or for grazing animals, or for growing grapes, or for any other plants that are helpful for people. The lands that are good for those things are not good for growing rice. Even in countries where rice is grown a lot, the rent of rice fields does not control the rent of other farmland that cannot be used to grow rice.

Potatoes produce as much food as rice and more food than wheat. Growing 12,000 pounds of potatoes on one acre of land is not more than growing 2,000 pounds of wheat. The amount of food you can get from those two plants is not exactly the same because potatoes have a lot of water in them. If half the weight of this root is water, an acre of potatoes can still produce 6,000 pounds of food, which is three times more than an acre of wheat. Potatoes are cheaper to grow than wheat. When farmers don't plant anything in a field before growing wheat, the cost goes

up because they have to do more work. But with potatoes, they don't have to spend as much money on extra care. If this root becomes popular in Europe like rice is in some countries, it could feed a lot of people and leave more land for other foods. This would help more people to have enough to eat and have leftovers after planting and harvesting. More of this extra money would go to the landlord. The number of people would go up, and the cost of rent would go much higher than it is now.

Land well for potatoes is good for almost every other useful vegetable. If hemp had as much land as corn does now, it would also affect the rent of other farmland. In some places in Lancashire and Scotland, people believe that oatmeal bread is better for hardworking people than wheat bread. I'm not completely sure if it's true. The regular people in Scotland who eat oatmeal are usually not as strong or good-looking as the regular people in England who eat bread made from wheat. They don't work or look as good. People in Scotland don't seem to be as healthy as people of the same rank in England. But it looks like potatoes are different. The leaders, workers, and coal workers in London, and women who have to do prostitution, the strongest men and the most beautiful women maybe in British territories, are mostly from the lowest class of people in Ireland, who mainly eat this root. No other food can show more clearly that it is good for you and specifically good for your health. Storing potatoes for a long time is hard, and it's impossible to keep them as long as corn. People are afraid to grow these vegetables because they might not be able to sell them before they go bad. This makes it hard for these vegetables to become popular in big countries like bread, which is eaten by everyone.

CONCLUSION

Studying how much farmers pay for land and how they use it shows that many different things affect how land is used and how much money can be made from it. By looking at the past and present ways of doing things, we can learn some important things. First, when people pay to use land, it shows that landlords want to get as much food as possible while letting tenants have only enough to survive. This shows how landlords have more power than tenants, and how the terms of the lease can affect how much money farmers make. Secondly, how good the land is for growing crops, where the land is, and how much people want to rent it all affect how much rent is charged. Landlords want to make more money by charging higher rents for good farming land, especially in areas where crops grow well and are close to where they can be sold. Farmers need to know about these things so they can make good choices when buying or renting land. Also, things that happened in the past, like farming land and how it's done, have had big effects on how much money farmers can make. The enclosure movements changed how land was owned and led to fewer people owning more land and paying higher rent. At the same time, improved farming methods have made it easier to grow more food. This has also affected how much farmers have to pay to use the land, because some crops are now more valuable than others.

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CHAPTER 12

ECONOMIC SIGNIFICANCE OF HUMAN NEEDS IN SHAPING LAND UTILIZATION AND RENT

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ABSTRACT:

The interplay between human needs, land utilization, and the emergence of rent in agricultural production. Focusing on the pivotal needs of food, clothing, and lodging, the abstract delves into how these needs dictate the value of land and its potential to generate rent. Through historical examples and theoretical analysis, it elucidates the factors influencing the rentability of land, such as fertility, location, market demand, and technological advancements. The abstract underscores the profound impact of human needs on land utilization practices, market dynamics, and the evolution of agricultural economies. Overall, this study offers valuable insights into the economic forces shaping land use patterns and the allocation of resources in agricultural production systems. The implications of varying levels of land cultivation, technological innovation, and market demand on the economic viability of different land uses. Overall, this abstract provides valuable insights into the economic factors driving land utilization decisions and the determination of rent in agricultural production systems.

KEYWORDS:

Allocation, Demand, Economics, Equilibrium, Markets.

INTRODUCTION

People's food is the only thing that comes from the land and always gives money to the landlord. Different types of food can sometimes be available, and sometimes not, depending on the situation. After people eat, they need clothes and a place to live. These are the two important things that people need. In its natural state, the land can provide materials for making clothes and shelter for more people than it can produce food for. In its better condition, it can sometimes feed more people than it can provide materials for, at least in the way they need them and are willing to pay for them. In one state, there is always a lot of these materials, so they are often not worth much. In the other, there is not enough, so they become more valuable. In one place, a lot of things are thrown away because they are not useful. The things that are used only cost as much as the work and money to make them usable, so the landlord doesn't make any extra money from them. In the other, they are all used, and often there is a need for more than is available. Someone is always willing to pay more for every part of themselves than it costs to sell them. So, they can always pay some rent to the landlord because their price is affordable [1], [2].

The big animals' skin was the first material people used to make clothes. In countries where people hunt and raise animals for food, they also have plenty of material to make clothes. If there were no trade with other countries, most of them would be useless and discarded. This was likely what happened with the hunting tribes in North America before Europeans found their land. Now they trade their extra fur for blankets, guns, and alcohol with the Europeans, which makes the fur more valuable. In today's world, some of the most primitive nations that have land ownership engage in foreign trade for materials like clothing. They have wealthy neighbors who want to buy the materials their land produces, but they can't use or make them at home, so they sell them at a higher price to these neighbors. So, it pays the landlord some

money. When most of the Highland cattle were used by people in the area, the export of their skins became the most important part of the country's trade. The money from selling the skins helped the landlords of the Highland estates earn more rent. In the past, the wool from England could not be used or made into things there. But people in Flanders were richer and more productive, so they bought the wool and the money from that helped the land in England where it came from. In places where the land isn't as well taken care of as England was at that time, or like how the Highlands of Scotland are now, and there's no trading with other countries, there would be a lot of extra materials for making clothes. So much, in fact, that a lot of it would be thrown away because it was useless, and none of it would make any money for the landowner [3], [4].

It's harder to move building materials far away than clothes, and they're not as easy to trade with other countries. In places where there are a lot of certain things, they might not be worth anything to the person who owns the land, even though there are a lot of people in the world who want them. A good stone quarry near London could bring in a lot of money in rent. In a lot of places in Scotland and Wales, it doesn't provide any. In a country with a lot of people and good farming, wood for building is very important. The land that grows this wood can be rented out for a good price. Many landlords in North America would be happy if someone took away most of their big trees. In some areas of the Highlands of Scotland, the bark is the only part of the wood that can be sold because there are no roads or waterways to transport the wood to market. The rest of the wood is left to decay on the ground. When there are a lot of building materials available, the part that is used is only worth the effort and money it takes to make it usable for building. It doesn't make money for the landlord, who usually lets someone use it for free if they ask. Richer countries sometimes pay him to use it. Paving the streets of London allowed people in Scotland to make money from land that was previously useless. Forests in Norway and the Baltic coast are sold in many parts of Great Britain because there is more demand there than at home. This helps the owners make some money [5], [6].

Countries have a lot of people because they can feed them, not because they can provide clothes and houses for them. When you have food, it's easier to find clothes and a place to stay. Although food may be nearby, it can be hard to find sometimes. In certain places in British territories, a person can build a house in just one day with their own labor. The easiest type of clothing, made from animal skins, takes a bit more work to get them ready to wear. They do not need much. In rough and uncivilized societies, only a small amount of work is needed to get enough clothes and shelter for most of the people for the whole year. The other ninety-nine parts don't always have enough food for them. When one family can grow enough food for two families, then only half the society needs to work to produce enough food for everyone. The rest of the people can use their time to make or buy other things that people want or need. Most people mostly want and fancy clothing, lodging, household furniture, and things for their home. The wealthy man eats the same amount of food as his poor neighbor. It may vary in quality, and it may take more work to choose and prepare it, but there is almost the same amount. Compare the big palace and many clothes of one person with the small hut and few clothes of the other person. You will see that the difference in their clothing, housing, and furniture is very big. Every person can only eat so much because their stomach is small, but people never seem to be satisfied with how much stuff they have, like clothes, cars, and furniture. So, if someone has more food than they can eat, they will trade it for other things they want. Anything beyond just satisfying basic desires is given for the enjoyment of desires that can't be satisfied and seem to go on forever. The poor work hard to make the rich people happy so they can get food. They try to be the best at their job so they can make sure they get food. More workmen are needed when there is more food or when the land is being improved. Their work can be divided into smaller tasks, so they can produce more in less time. This creates a need for all

kinds of materials that people can use for building, clothing, and household items. This includes things like rocks, minerals, metals, and gems found in the earth. Food is the main source of rent and the value of all other land produce comes from the improvement of labor in producing food through the improvement and cultivation of land.

The other parts of the crops from the land that can be rented do not always provide rent. Even in developed countries, the demand for them is not always enough to justify a higher price than what is needed to pay for the labor and cover the costs of bringing them to market. Whether something is true or not depends on different situations. If a coal mine can pay rent depends on how much coal it has and where it's located. A mine can be either good or bad. It's good if it produces a lot of minerals for the amount of work put in. It's bad if it doesn't produce much compared to other mines. Some coal mines in good locations cannot be used because they don't have enough coal in them. The product does not cover the cost. They cannot make money or pay for using the space. Some farms don't make enough money to cover their expenses and make a profit for the owner. They make some money for the person doing the work, but they don't pay any rent to the landlord. Only the landlord can benefit from this because he is the one doing the work and makes a profit from it. Many coal mines in Scotland are made this way, and cannot be made any other way. The landlord won't let anyone use them without paying rent, and no one can afford to pay. Other coal mines in the same country are very fertile, but they can't be worked because of where they are located. A lot of mineral can be mined with less effort and could cover the cost of mining it. But in a sparsely populated area with no good roads or waterways, the mineral can't be sold. Coals are not as good of a fuel as wood and they are not very healthy. Coal usually costs less than wood when it is burned at the place where it is used [7], [8].

DISCUSSION

The cost of wood goes up and down depending on how well crops are doing, similar to how the price of livestock changes for the same reason. In the beginning, most of the country is filled with trees, which are not helpful to the owner of the land. They would be happy to let someone cut them down for free. As farming gets better, some trees are cut down to make room for crops, and others are left to rot because there are more cows eating the vegetation. These animals don't grow as fast as corn, which is grown by people. But they do grow with the help of humans, who save food for them and protect them from their enemies. Humans also give them more food than they would find in the wild. Many groups of cows, when left to roam in the woods, don't harm the old trees but prevent new ones from growing. Over time, the whole forest gets damaged. The low amount of wood makes its price go up. It can bring in a lot of money for the landlord, and sometimes it's more profitable for them to grow trees instead of crops, even though they have to wait longer for the profit. In many parts of Great Britain today, planting trees makes as much money as growing crops or raising animals. The landowner benefits the most from planting crops on their land. In a well-farmed area, the profit from planting can be almost as much as the rent they could get from the land. On the coast of a country that has been developed well, it can be cheaper to bring wood for building from other countries, if fuel is easily available. This may be cheaper than growing the wood at home. In the new town of Edinburgh, which was built recently, there may not be any wood from Scotland [9], [10].

The cost of coal is very high if the cost of using a coal fire is almost the same as using a wood fire. It is common in some parts of inland England, like Oxfordshire, to mix coal and wood when making fires. This doesn't make a big difference in cost. Coal is very expensive in countries where it is found. If they didn't have money, they couldn't afford to travel far in a car or a boat. Only a little bit could be sold. The coal owners prefer to sell a lot at a slightly higher

price than to sell a little for the highest price. The coal mine that produces the most coal also controls the price of coal at other nearby mines. Both the owner and the person doing the work think they can make more money by selling their goods or services at a lower price than others. Their neighbors have to sell for the same price even if they can't really afford it. This makes their income and profits smaller. Sometimes, they don't make any money at all. Some projects are completely abandoned, while others can't afford to pay rent and can only be worked on by the owner. The lowest price at which coal can be sold for a long time is the price that just covers the cost of producing and selling it, along with some profit. At a coal mine, the owner must either work it himself or leave it alone because he can't rent it out. This means the price of coal is usually close to the cost of mining it.

Rent is usually a smaller part of the price of coal compared to other things that come from the land. The cost of renting land is usually about a third of the total amount of food that is grown on the land. This rent doesn't change, even if the amount of crops grown changes. In coal mines, a large portion of the profits is paid as rent. It can be a lot of money, usually around 20%, or a smaller amount, around 10%. The amount of rent can change depending on how much coal is produced. In a country where it's normal for property to cost 30 years' worth of money, coal mines are considered a good deal if they cost 10 years' worth of money [11], [12].

The owner of a coal mine cares a lot about where it is located, not just how much coal it has. The success of a metal mine depends more on how rich the mine is and less on where it is located. Valuable metals, like gold and silver, are worth a lot of money, so it's usually worth it to transport them over long distances by land or sea. They sell their products to people all over the world, not just nearby countries. Japan sells copper to Europe and Spain sells iron to Chile and Peru. Peru's silver goes from Europe to China. The cost of coal in Westmoreland or Shropshire doesn't really impact the price of coal in Newcastle. The price of coal in Lionnois doesn't have any effect on the price either. The coal from far away mines will never compete with each other. However, the items from faraway metal mines often can and usually do.

The price of metals at the richest mines in the world will affect their price everywhere else. The price of copper in Japan can affect how much copper is worth at the copper mines in Europe. The cost of silver in Peru and how much labor or other things it can buy there affects its price in Europe's silver mines and also in China's mines. After the mines in Peru were found, most of the silver mines in Europe were left unused. The price of silver went down a lot, so the things they made with it didn't cover the cost of making them, or make enough money to pay for the things they needed like food, clothes, and housing. The same thing happened with the mines in Cuba and St. On Sunday, and also with the old mines in Peru, after the discovery of the mines in Potosi.

The price of metal at most mines is determined by the price at the best and most productive mine in the world. This means that most mines can only just cover their operating costs and usually cannot pay a high rent to the landowner. Most mines don't pay much in rent, and it only has a small impact on the price of metals. Work and money are the most important parts of both. The average rent of the tin mines in Cornwall can be considered as one-sixth of the total amount produced. These mines are known to be very productive. This information comes from the Reverend. Mr Smith Borlace, the deputy in charge of the tin mining areas. He says that some people have more money, and some people do not have as much. One-sixth of the total income comes from renting out some very productive lead mines in Scotland.

In the silver mines of Peru, the owner only asks the person who runs the mine to grind the ore at their mill and pay them for it. Until 1736, the tax paid to the king of Spain was one fifth of the silver mined in Peru, which was the richest in the world at that time. If there was no tax,

the landlord would have gotten this money and many mines may have been used because they couldn't afford the tax. The duke of Cornwall charges more than five percent tax on tin. Or one part out of twenty of the value; and whatever his share is, it would also belong to the owner of the mine if tin had no taxes. If you add a small amount to another small amount, the average rent of tin mines in Cornwall was slightly more than the average rent of silver mines in Peru. However, the silver mines in Peru cannot afford to pay even this small amount, and the tax on silver was reduced from one fifth to one tenth in 1736. Taxing silver makes people want to smuggle it even more than tin. Smuggling silver is easier than smuggling tin because it is smaller and more valuable. The king of Spain doesn't get much tax money, while the duke of Cornwall gets a lot. Paying for the use of the land probably costs more for tin mining than for silver mining. After changing the supplies used to work the mines and getting back the usual profits, the leftover money for the owner seems to be more in the mines that produce common metals rather than those that produce valuable ones. The people who run silver mines in Peru don't usually make a lot of money. Many trustworthy authors tell us that when someone tries to start a new mine in Peru, people think they will fail and go broke. Because of this, everyone avoids and ignores them. Mining here and there is seen as a gamble, where the rewards are not worth the risks, but some people still try their luck and end up losing their money.

The king makes a lot of money from silver mines in Peru, so the law there supports finding and opening new ones. If someone finds a new mine, they can mark off 246 feet in one direction and half as much in another direction to claim it as their own. He owns this part of the mine and can work on it without paying anything to the landlord. The Duke of Cornwall's interest has caused a similar rule to be made in that old area. In empty and open lands, if someone finds a tin mine, they can identify its boundaries to a certain extent, which is known as bounding a mine. The person who found the mine becomes the owner and can either work it themselves or let someone else work it. They don't need permission from the landowner, but they have to give them a small payment. Both laws prioritize the government making money over protecting people's property rights.

In Peru, people are encouraged to find and work in new gold mines. The king only takes one twentieth of the standard rental as a tax for the gold found. It used to be 20% and then 10%, but the work couldn't afford even the lower tax. Frezier and Ulloa say it's not common to find someone who got rich from a silver mine, but it's even rarer to find someone who got rich from a gold mine. This is the rent paid by most gold mines in Chile and Peru. Gold is easier to smuggle than silver because it has more value for its size and it is produced in a unique way by nature. Silver is rarely found in its pure form. It is usually mixed with other minerals, making it difficult and expensive to separate. This process requires a lot of hard work and time, and can only be done in special buildings under the supervision of the king's officials. Gold is usually found in its natural state. Sometimes, it can be found in large chunks and even mixed with sand, dirt, and other things, but it's easy to separate it using a simple method that can be done at home by anyone with a bit of mercury. If the king's tax is not paid well on silver, it's probably even worse on gold. And rent is a smaller part of the price of gold compared to silver.

The cheapest price for selling precious metals or how much of other items you can exchange them for is determined by the same rules that set the lowest price for all other goods. The things that are usually used, like food, clothes, and housing, when bringing goods from the mine to the market, decide its price. It needs to be enough to replace the stock with the regular earnings. Their highest price is determined by how rare or common the metals are, not by anything else. It doesn't depend on any other thing, like the price of coal depends on the price of wood. Its price can never be raised by scarcity. If there is less gold available, even a small amount of it can become worth more than a diamond and can be traded for a lot of other things.

The reason people want these metals is because they are useful and look nice. Except for iron, they are more useful than maybe any other metal. Because they are less likely to rust and get dirty, it's easier to keep them clean. That's why utensils made of these materials, whether for the table or the kitchen, are often more pleasant to use. A silver pot is cleaner than a pot made from lead, copper, or tin; and a gold pot would be even better than a silver one. Their main quality is their beauty, which makes them perfect for decorating clothes and furniture. No paint or dye can make a color look as good as gilding does. Their beauty is even more special because there are not many of them. Most rich people enjoy showing off their wealth. They feel the most satisfied when they have things that only they can have, which show how much money they have. In their opinion, when something is rare or hard to find, it becomes more valuable if it is useful or beautiful. They are willing to work hard to get it because they think it's worth it. People are willing to buy these items at a higher price even though there are other items that are more beautiful and useful, but more commonly found. The reasons why metals like gold and silver are expensive is because they are useful, beautiful, and not easy to find. This is why they can be traded for a lot of other goods. This value came before and was not connected to using the coins. It was the thing that made them right for being used as coins. However, when people are hired for a job, it creates a need for more goods and services, and it reduces the amount of resources available for other purposes. This may have helped to maintain or even raise the value of those resources later on.

People want precious stones because they are beautiful. They are only good for decorating and their beauty is valued more because they are hard to find or expensive to get. Wages and profits usually make up most of the high price. Income from rent is usually very little, and sometimes nothing at all. Only the most productive mines generate a significant amount of rent. When Tavernier, a jewelry maker, went to the diamond mines of Golconda and Visiapour, he found out that the ruler of the country had closed all the mines except for the ones that produced the biggest and best diamonds. It seems like the others were not worth the owner's time and effort.

The prices of valuable metals and stones are controlled worldwide based on the prices at the most productive mine. The owner of a mine can make money based on how much better their mine is compared to others, rather than just how much they produce. If better mines were found than the ones in Potosi, the value of silver could go down so much that even the Potosi mines might not be worth mining anymore. Even though there was not a lot of silver, the owner could still use it to buy the same amount of other things. And they could use their share of it to buy the same amount of work or things. The amount of money made from the crops and the rent could have been the same for both the public and the owner. The mines with a lot of gold and gems don't make the world much richer. An item that is valuable because it is rare becomes less valuable when there is too much of it. You can buy fancy dishes and other decorative items with fewer goods, and that's the only benefit of having so much stuff.

It is different in properties above the ground. The value of what they make and the cost of the land they use depends on how much they can make, not on how much they can make compared to others. The land that makes enough food, clothes, and homes can always support a certain number of people. No matter how much the landlord gets, they will always have power over the people's work and the things the work can give them. The worth of the least productive land doesn't decrease because it's near the most productive land. Instead, it usually goes up because of it. The many people fed by the rich soil create a demand for goods from less fertile areas, which would not have been possible if they only relied on their own resources.

Improving the fertility of the land helps to produce more food. This makes the land more valuable and increases the demand for food from other lands too. The reason people want things like gold, jewels, and nice clothes is because there is a lot of food available due to better land.

They have more than they can eat, so they use the extra money to buy nice things. Food is very important because it makes up the majority of the world's wealth. Having lots of food also adds value to many other kinds of wealth. The people who are not rich in Cuba and St. are suffering. When the Spaniards first found Domingo, they used to wear small pieces of gold as decorations in their hair and on their clothes. They thought the rocks were pretty and gave them to anyone who asked without thinking it was a big deal. They were surprised to see how much the Spaniards wanted the baubles. They didn't know there were places where people had so much extra food. They were often short of food themselves, so they were willing to trade a small amount of the baubles for a lot of food. If they had been told about this, they wouldn't have been surprised by how passionate the Spaniards were.

Of the differences in the amount of money made from products that always make money and products that sometimes make money. As we have more and more food because we are getting better at growing and making it, more things besides food that come from the land will be needed and wanted for use or decoration. Throughout the process of getting better, it was expected that there would only be one change in the comparison of the values of those two types of goods. The price of land that can be rented should go up, even if it doesn't always make money, in comparison to land that always makes money. As art and industry get better, the things we use to make clothes and houses, like fossils and materials from the earth, as well as precious metals and stones, will become more valuable and in demand. This means they will trade for more and more food, or in other words, they will become more expensive. This has generally been true for most things most of the time, and would have been true for all of them all the time if sometimes there wasn't a bigger supply than demand because of accidents.

The value of a quarry will go up if the area around it gets better and more people live there. This is especially true if it's the only quarry nearby. However, the worth of a silver mine may not go up even if there are no other silver mines nearby, as the value depends on the development of the country it's in. The stuff from a rock quarry is usually only sold a short distance away, but silver from a mine can be sold all over the world. If the world doesn't change. So, as the area around the mine gets better and more people move there, the need for silver may not go up at all. Even if the world was getting better, if new mines were found that produced a lot of silver, the price of silver could go down. This means that even though more silver would be available, it would be worth less in terms of buying things like food or paying workers.

CONCLUSION

The Importance of People's Needs in Deciding How Land is Used and Priced reminds us that what people need can greatly affect how we use and value land. Studying the past and present shows that people's basic needs like food, clothes, and shelter affect how land is used and how rent is used in farming. The study shows how things like good soil, new technology, where the land is, and how the market is doing all work together to decide if using the land makes money or not. In addition, the conclusion highlights how important it is to understand what people need and how their needs change over time in order to predict future trends in how land is used and how much it costs. As societies change, their needs and wants change too. This means that they need different types of land and resources. This shows why it's important for leaders, landowners, and farmers to change and come up with new ideas to meet people's needs and market changes.

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CHAPTER 13

ECONOMIC SHIFTS AND SILVER VALUATION: A COMPREHENSIVE REVIEW

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ABSTRACT:

The economic dynamics surrounding the valuation of silver, particularly focusing on shifts observed during the 15th and 16th centuries in Europe. Through an examination of historical records and statutes, the study investigates the relationship between silver value, agricultural production, and societal development. It analyzes various factors influencing silver prices, including changes in mining output, market demand, and agricultural productivity. Additionally, the paper explores the impact of governmental regulations on silver trade, such as export and import restrictions. Furthermore, it discusses how fluctuations in silver value affected land utilization, rent, and overall economic stability. By examining these historical contexts, this research provides insights into the complex interplay between economic forces and precious metal valuation during pivotal periods in European history. The study reveals how silver's value fluctuated in response to factors such as increased demand, changes in supply from mining activities, and shifts in societal structures and governance.

KEYWORDS:

Commodities, Economic Indicators, Global Trade, Inflation, Interest Rates, Market Volatility.

INTRODUCTION

In Henry's household book from 1512, there are two different guesses about how much wheat there is. In one place it costs six shillings and eightpence for a quarter, in the other place it costs five shillings and eightpence for the same amount. In 1512, six shillings and eightpence only had two ounces of silver and were worth about ten shillings in today's money. Starting from the 25th year of Edward III. For over 200 years, before Queen Elizabeth's rule, six shillings and eight pence was the usual price for wheat. During this time, the amount of silver in the coin was getting smaller because some changes were made to it. However, the higher value of silver made up for the smaller amount of it in the same amount of money, so the government didn't think it was important to consider this. In 1436, a law was made that allowed wheat to be sold overseas without permission when the price was very low. In 1463, another law was made that said no wheat could be brought into the country if the price was not high enough. The government thought it was okay to send out wheat when the price was low, but when the price went up, it was better to bring in more wheat from other countries. In the past, six shillings and eightpence was considered a fair price for wheat, which had about the same amount of silver as thirteen shillings and fourpence today [1], [2].

In 1554 and 1558, the government said no one could export wheat if the price was too high. However, it was quickly discovered that holding back the export of wheat until the price was very low, was basically the same as banning it completely. In 1562, the government allowed the export of wheat from some ports if the price was less than ten shillings. At that time, this price was seen as a fair and reasonable price for wheat. It almost matches the estimate in the Northumberland book from 1512. In France, the price of grain was lower at the end of the 15th and beginning of the 16th century than in the two centuries before. This was noticed by Mr. Dupré de St Maur and the author of the Essay on the Policy of Grain. During that time, the

price had likely dropped in most of Europe [3], [4]. The price of silver went up compared to corn for a few reasons. One possibility is that more people wanted to buy silver because there were more advancements and improvements happening. Another possibility is that there was less silver available because many of the mines were running out and it was more expensive to mine the silver. It could also be a mix of both reasons. In the late 15th and early 16th centuries, most of Europe was getting closer to having a more stable form of government than it had in a long time. Better security will make businesses and things better. People will want more jewelry and other nice things as they become wealthier. More money is needed if more things are produced every year. And if there are more wealthy people, they will need more silver items like plates and ornaments. It is also likely that most of the mines that used to provide Europe with silver may be running out and it costs more to mine. They were made a long time ago, some of them during the time of the Romans. Many people believe that the value of silver decreased from the time of the Conquest or the invasion of Julius Caesar until the discovery of the mines of America. They formed this opinion because they saw that the prices of corn and other farm products were changing, and they thought that as a country becomes wealthier, the value of silver goes down because there is more of it. In their study of corn prices, three things often confused them [5], [6].

Long ago, most people paid their rent with things like corn, cattle, and poultry instead of money. Sometimes the landlord would say that the tenant could either give him crops as rent or a certain amount of money instead. In Scotland, the price at which people exchange goods for money is called the conversion price. The landlord can choose to take either the item or the money. For the tenant's safety, the price should be no higher than the average market price. In a lot of places, it is only a little higher than half of this price. In most of Scotland, people still follow this tradition for chickens, and in some places for cows too. It could have kept happening with corn, too, if the government hadn't stopped it. Every year, the price of all different types of grain and their qualities are evaluated based on the market price in each county. This place made it safe for the person renting the land, and more convenient for the person owning the land, to change the rent for crops based on the price each year, rather than a set price. However, the writers who recorded the prices of corn in ancient times often got the conversion price mixed up with the actual market price in Scotland. Fleetwood admits that he made a mistake. As he was writing his book for a specific reason, he didn't think it was necessary to admit this until after rewriting it fifteen times. The cost is eight shillings for a quarter of wheat. In 1423, this amount had the same value as sixteen shillings today. However, in 1562, the amount of money was the same as it is now. Secondly, they were confused because some old laws were written in a messy way by lazy people who copied them or even made up by the government. The old laws about prices always started by setting the price for bread and ale when wheat and barley were at their lowest. Then they slowly figured out the new prices as the cost of the grain went up. The people who wrote down these laws often only copied the rules for the lowest prices, thinking it was enough to show how prices for higher things should be. They did this to save time and work [7], [8].

So, in the law about the size and quality of bread and ale, in the 51st year of Henry III's rule. The cost of bread was controlled based on the varying prices of wheat, ranging from one shilling to twenty shillings per quarter of the money at that time. The old manuscripts that were used to print the statutes before Mr. Ruffhead's edition didn't include this rule about the price. Many writers were mistaken because of a mistake in the written record. They thought that the price of wheat was six shillings per quarter, which is about eighteen shillings in today's money.

In the laws about punishment and public humiliation, the cost of ale is decided based on how much the price of barley goes up, from two shillings to four shillings the quarter. The four

shillings was not thought to be the highest price for barley back then. This shows that prices should be in proportion to each other. This is seen in an old Scottish law book that regulated the price of bread based on the price of wheat. Three shillings of Scotch money, at the time when this law was supposed to be made, were worth about nine shillings in today's money. Ruddiman thinks that the remaining cases are related to the price of corn, based on what is written above.

Thirdly, they also thought that the very cheap price of wheat in ancient times meant that it was always cheap back then. But that's not true. They may have discovered that in ancient times, the price of the item was very high at its highest and very low at its lowest, even compared to later times. So, in the year 1270, Fleetwood tells us the cost of a quarter of wheat. The first amount is worth £4. 16 in old money, which is the same as £14. 80 in today's money. The second amount is worth £6. 8 in old money, which is the same as £19. 40 in today's money. No one could find anything as expensive as these in the late 1400s or early 1500s. In places where there is a lot of chaos and no way for people to trade or communicate, the price of corn changes a lot. This is because one part of the country might have a lot of corn but can't share it with another part that doesn't have enough. In England during the time of the Plantagenets, some areas had lots of food while others nearby were suffering from famine because their crops were destroyed. Sometimes, even if two areas were close to each other, they couldn't help each other because of a hostile lord's land in between. During the time of the Tudors, who ruled England in the 15th and 16th centuries, no baron was strong enough to disrupt the safety of the public.

Many writers think that silver was very valuable in ancient times, not because corn was cheap, but because other farming products were also cheap. In the old days, corn was more expensive compared to other things. It was more expensive than things like animals, eggs, and wild animals. In those olden times when people were poor and uncivilized, these things were much cheaper compared to corn. But things being cheap was not because silver was worth a lot, but because those things were worth very little. It wasn't because silver could buy more labor during hard times, but because other goods could buy less compared to better times. Silver is definitely less expensive in Spanish America than in Europe. It costs less in the country where it is made, compared to the country it is sent to. This is because of the cost of transporting it over land and sea, shipping fees, and insurance. Twenty-one pence and half a penny was the price of an ox at Buenos Ayres a few years ago, according to Ulloa. The ox was chosen from a herd of three or four hundred. Byron said that a good horse in Chile cost sixteen shillings. In a country with a lot of good land, but most of it is not used for farming, there are animals like cows, chickens, and wild game. Because they can be obtained with little effort, they will only buy or control a small amount. The cheap price they are sold for doesn't mean silver is worth a lot, it means the things being sold are not worth much [9], [10].

DISCUSSION

Work is what really determines the value of silver and other goods, not the goods themselves. But in countries that are mostly empty or have very few people, there are still animals like cows, chickens, and wild animals. These things are made by nature and sometimes there are too many for people to use. In situations like this, there is usually more of a product available than people want to buy. In society, at different times of progress, these items will be worth different amounts of work. In all societies, at every stage of progress, corn is grown by people. The amount of things made by different industries usually matches what people want to buy. At every stage of improvement, it takes about the same amount of work to grow the same amount of corn in the same place. As farming gets better, it becomes more expensive to raise animals, which are important for farming. This makes it so the cost of growing food stays about the same, even as farming gets more efficient. So, because of all these reasons, we can be sure

that the same amount of corn will be equal to the same amount of labor, no matter what kind of society or level of development we're talking about. Corn has been found to be a better way to measure value than any other things, no matter how rich or advanced a place is. In all those different stages, we can see the true value of silver by comparing it to corn, rather than comparing it to anything else [11], [12].

Corn is the most common and favorite vegetable for people and is the main food for workers in every civilized country. Because more land is being used for farming, every country is able to produce more vegetables than animal food. As a result, the people who work on the farms mainly eat the most affordable and available healthy food.

The butcher's income mostly comes from selling meat but in many places, it's not enough to live on. He doesn't make much money from selling poultry, and he doesn't sell game at all. In France and Scotland, the poor people who work for a living don't often eat meat from a butcher, unless it's a special day or event.

The amount of money a worker gets paid depends more on the cost of food than on the cost of other goods like meat. The true worth of gold and silver depends more on how much food they can buy than on any other goods from the land. Simple observations on the prices of corn and other goods may not have fooled many smart authors, if they hadn't also been influenced by the idea that as a country gets richer and has more silver, the value of silver goes down. This idea seems to be completely without any basis.

The amount of valuable metals in a country can go up for two reasons. First, if there are more mines producing the metals? Second, if the people in the country have more money and produce more things every year. The first reason is definitely linked to the decrease in value of precious metals. But the second reason is not. When we find more mines, we get more precious metals. This means we have to trade more metals for the same amount of goods. Therefore, when there are more precious metals in a country because there are more mines producing them, the value of the metals goes down. When a country becomes richer and produces more goods, more money is needed to buy and sell those goods. As people have more money and goods, they will buy more expensive items like silverware. Their money will increase because they need it to. They will have more fancy things like plates because they want to show off or because they like having nice things, like statues and pictures. Sculptors and painters will still be well paid even when times are good, just like gold and silver will still be valuable.

Gold and silver prices go up when more mines are found, and they are generally higher in wealthy countries than in poor ones. Gold and silver, just like other things people buy and sell, go to the place where they can get the most money for them. Usually, the place with the most money is where people are rich. Work is the most important thing that is paid for everything. In places where workers are paid well, the cost of their work will be related to the cost of what they need to live. Gold and silver can buy more food in a rich country than in a poor one. It can also buy more food in a country with a lot of food available compared to one with less food available. If the two countries are far apart, there may be a big difference in the prices of things. This is because it's hard to move things between the two countries in large amounts, so the prices don't become similar. If the countries are close together, the difference will be smaller and may sometimes be hard to notice, because the transportation will be easy. China has more money than any part of Europe, and the cost of living in China is much lower than in Europe. In China, rice is cheaper than wheat in Europe. England has more money than Scotland, but the difference in the price of corn between the two countries is not very big. It is just slightly noticeable. Scotch corn seems cheaper than English when you look at the amount, but it's actually more expensive when you consider the quality. Scotland gets a lot of stuff from

England every year, and things usually cost more in Scotland because they are brought there from England. Scottish corn is more expensive in Scotland compared to English corn, but when you consider the quality and the amount of flour it produces, it's usually priced the same as Scottish corn.

Wages are higher in Europe than in China, because Europe is improving while China is not. This means that labor is better rewarded in Europe. Workers in Scotland get paid less than workers in England because the value of their work is not as high. Scotland is not becoming as rich as England as quickly. Many more people leave Scotland to find work in other countries than people leaving England. This shows that there are more job opportunities in Scotland than in England. The amount of money people get for their work in each country is decided by how well the country is doing, not how rich or poor it is. This depends on whether the country is getting better, staying the same, or getting worse. Gold and silver are very valuable to rich countries, but not very valuable to poor countries. Savages, who are the poorest people, don't think very highly of them. In big cities, corn costs more than in faraway rural areas. This happens because corn is really expensive, not because silver is really cheap. Bringing silver to the big city is as expensive as bringing it to the faraway countryside, but it's much more costly to bring corn.

In some wealthy countries like Holland and Genoa, corn is expensive for the same reason it is expensive in big cities. They don't make enough to support the people who live there. They are good at making things and have a lot of machines and ships to trade with, but they don't have enough food. They have to buy food from other countries and pay extra for the cost of bringing it there. Bringing silver to Amsterdam doesn't cost much less than bringing it to Dantzic, but bringing corn costs a lot more. Silver should cost around the same in both places, but the cost of corn will be very different. If Holland or Genoa have fewer people and can't get as much food from far away, the price of food will go up, leading to famine. When we need important things, we have to give up things that are not necessary. The things we don't really need may be valuable when times are good, but not valuable when times are tough. With necessary things, it is different. Their actual value goes up when there is poverty and goes down when there is wealth. This is because there is more of them when people are doing well, and less of them when people are struggling. Corn is needed, but silver is just extra.

During the 14th to 16th centuries, the amount of precious metals increased due to more wealth and improvements. This did not make the metals less valuable in Great Britain or the rest of Europe. If the people who kept track of prices in the past didn't see the value of silver going down, they also didn't see it going up because of more wealth and progress. Period However, no matter what different opinions the experts had about the value of silver in the first period, they all agree about it in the second period. The value of silver compared to corn changed a lot between 1570 and 1640. The price of silver went down and the price of corn went up. Before, you could buy a quarter of corn for two ounces of silver, but now it costs six to eight ounces of silver.

The civil war made it hard for people to grow food and trade, so the price of corn went up more than it normally would have. This probably had the same effect at all the markets in the kingdom, but especially at those near London, which need to be supplied from far away. In 1648, the price of the best wheat at Windsor market was £4:5s and in 1649, it was £4 for nine bushels. The amount above £2:10s for those two years is too much. However, these high prices are not the only ones caused by the civil wars, even though they are the highest.

The second thing was when they started giving money to people who exported corn in 1688. Many people think that offering rewards for farming may have caused more crops to be grown

and more food to be available, making it cheaper to buy in the local market over many years. I will look into whether the reward could cause this to happen later on. But for now, I want to point out that between 1688 and 1700, it did not have enough time to make this happen. During this time, the only result would have been to increase the selling of extra goods every year, which would prevent the price from going down when there is too much of a product one year, and prevent it from going up when there is not enough another year. There was a shortage of food in England from 1693 to 1699. This was mostly because of the bad weather, and it also affected other parts of Europe. The shortage was made worse by the government's help for farmers. In 1699, the export of corn was stopped for nine months.

During the same time, another thing happened that might not have made less corn available or increased the amount of silver used to buy it, but it probably increased the total amount of money. This event was when people made silver coins less valuable by cutting and wearing them down. This bad thing started when Charles II was king. The amount of silver coins kept increasing until 1695, when it was about twenty-five percent higher than before. This information comes from Mr. Lowndesits normal worth. The price of every item is not based on how much silver it should have, but on how much silver it actually has based on experience. So when a coin is worn down or has pieces clipped off, it's worth more money.

Throughout this century, the weight of the silver coin has not been more than it is now. Despite being damaged, the piece has maintained its value because it can be exchanged for gold coins. Before the new coins were made, the gold coin was not as worn down as the silver one. In 1695, the value of silver coins was not as high as gold coins. A guinea was often traded for thirty shillings of old and worn silver. Prior to the gold being changed, the cost of silver was usually not more than five shillings and sevenpence per ounce, just fivepence more than the mint price. But in 1695, silver was cheaper than it is now. During this century, there hasn't been any major disaster like a civil war that would stop farming or trade in the country. Although the government giving extra money to farmers to grow more corn has made the price of corn higher, it also encouraged more farming and increased the amount of corn available to buy. So, in the long run, it may have actually lowered the price of corn. Many people think it could have achieved more. In the past sixty-four years, the average price of nine bushels of wheat at Windsor market was about 10 shillings and 6 pence, which is more than 25 percent. Less expensive than it was for the last 64 years of the last century, and about 9 shillings and 6 pence cheaper than it was in the 16 years before 1636, when the discovery of the mines in America had a big impact. Also, about 1 shilling cheaper than it was in the 26 years before 1620, before the discovery of the mines in America had a full impact. According to this record, the middle wheat has cost around thirty-two shillings for eight bushels on average during the first sixty-four years of this century. The price of silver has gone up in comparison to corn in the last century, and maybe even before that. In 1687, the cost of nine bushels of the best wheat at Windsor market was £1:5:2, which was the lowest price since 1595.

In 1688, a man named Mr. Gregory King, who was very knowledgeable about this, said that the average price of wheat in a good year was 3 shillings for the person growing it. Simplify the text: 6d. A bushel is equal to eight and twenty shillings per quarter. I think the grower's price is the same as the contract price. It's the price a farmer agrees to sell a certain amount of corn for, over a few years, to a dealer. This type of contract helps farmers because they don't have to worry about selling their crops. The price they get paid is usually lower than the regular market price. Mr. King had decided that twenty-eight shillings per quarter was the usual price during years when there was enough of something. Before the shortage caused by the recent very bad weather, I have been told that the price was normal in usual years. In 1688, the government gave money to people who exported corn. The rich men in the country, who were

a bigger part of the government back then than they are now, noticed that the price of corn was going down. The bounty was a way to increase the price of something to the high level it used to be in the time of Charles I. It was supposed to happen until the price of wheat was as high as forty-eight shillings per quarter. This is twenty shillings, or 5-7ths, more expensive than Mr. King had estimated the price to be in times of moderate supply. If his math is as good as people say, then a price of 48 shillings per quarter was only possible because of the extra help given. However, King William's government was still not completely stable at that time. It couldn't say no to the country gentlemen, who it was asking for the first land tax at the same time. Silver was worth more compared to corn at the end of the last century, and it has continued to increase in value for most of this century. But the government's support for farming has kept the increase in value from being as big as it could have been. In years when there is a lot of food, the amount that is sent to other countries makes the price of corn higher than it would be in those years. The main goal of the institution was to support farming by making sure the price of corn stayed high, even when there was a lot of it. During times when there is not enough food, the extra help is usually stopped. However, it definitely affected the prices during those years. The high amount of goods being sold to other countries when there is a lot of them can often stop the surplus from one year making up for the shortage in another year.

In times when there is a lot of corn and also when there is not much, the abundance makes the price of corn higher than it would be naturally. If in the first 64 years of this century, the average price was lower than in the last 64 years of the previous century, it would have been even lower without the help of the subsidy. However, if there were no rewards, farming would not be as successful. I will try to explain how this institution may have affected farming later when I talk about bounties. Right now, I just want to point out that the increase in the value of silver compared to corn has not only happened in England. During the same time period, it was noticed that the same thing happened in France, and in almost the same amount, by three people who carefully collected the prices of corn: Mr. Dupré de St. Messance, and the author of the *Essay on the Police of Grain*. But in France, until 1764, it was against the law to export grain. It's hard to believe that the same drop in price happened in both countries, even though one had a ban on exporting grain.

CONCLUSION

Studying how the economy and the value of silver changed from the 15th to the 16th century can help us understand how prices of goods, the value of money, and society changed during this time. By carefully studying old papers, laws, and money patterns, we can see that the value of silver was closely connected to things like how much silver was found in mines, how much people wanted it, and how well off society was. The study found that the amount of silver available, the demand for things like corn, and how rich a country is all affect each other in complicated ways. The finding of lots of silver mines made more silver available, and its worth also went up because more people wanted fancy things and trade was growing. Furthermore, the connection between the value of silver and the production of crops like corn shows how important basic crops are in shaping the economy. Additionally, the research highlights how laws and government decisions affect the value and trading of silver. Laws like limiting what can be exported and imported or rules about making coins helped keep markets steady and control changes in money value. However, it is clear that these measures were often affected by society and politics.

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