DAYANAND COLLEGE OF COMMERCE, LATUR

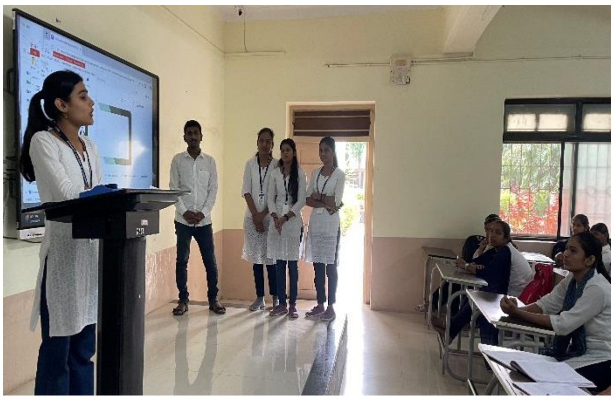
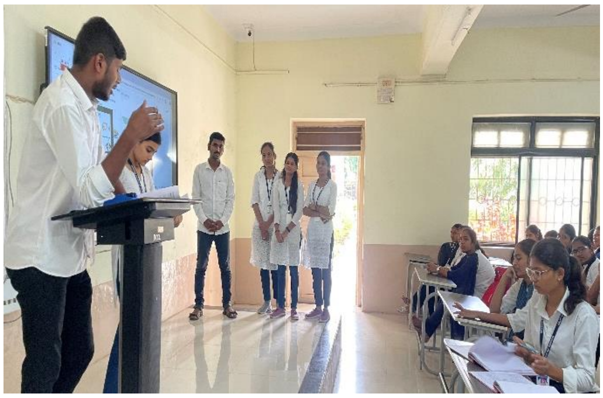
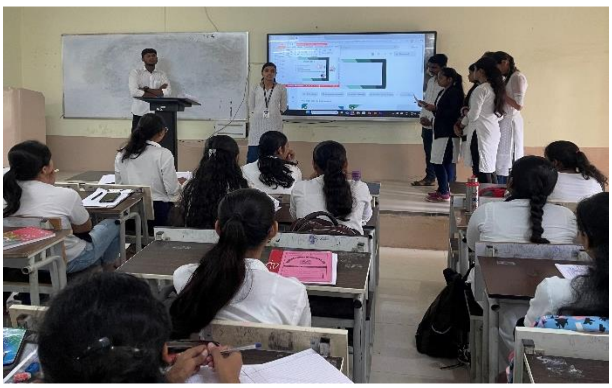
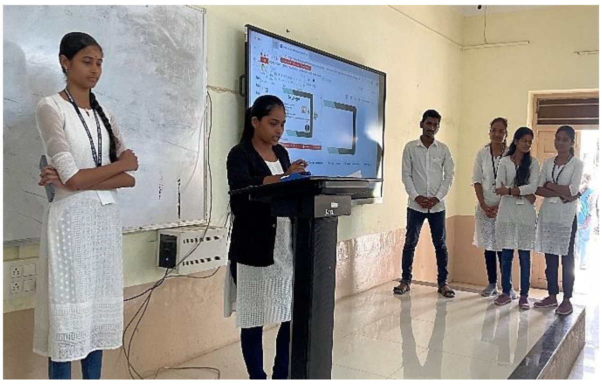
Experiential Learning Activity: Economic Policy Maker

About Activity: In this classroom activity, students take on the role of economic policy makers by working in groups where each group represents a ministry or institution such as the Finance Ministry, Central Bank, Households and firms. The teacher assigns each group a specific economic challenge like inflation, unemployment, trade deficit, or rising fuel prices etc. They must analyse the problem, identify its causes, propose a suitable policy solution, and outline the expected outcomes. Each team presents their policy to the class, followed by an interactive session where a group of household and firms act as citizens or opposition leaders to question or challenge the proposed measures. The teacher concludes the activity by acting as the Prime Minister or President, providing feedback, linking the discussion to economic concepts, and highlighting real-world applications, thereby helping students develop problem-solving, critical thinking, and communication skills while connecting theory to practice.

Total Participants: 16

Date: 29.09.2025

Objectives: Students simulate how different stakeholders (government, central bank, households and firms) make and respond to economic policies when facing stagflation (high inflation + high unemployment).

B. Com FY (Div. 'B')

🎭 Classroom Activity: *Economic Policy Makers*

Objective

Students simulate how different stakeholders (government, central bank, households, firms) make and respond to economic policies when facing stagflation (high inflation + high unemployment).

Scenario

The economy is in trouble:

- **Unemployment:** 8%
- **Inflation:** 6%
- **GDP Growth:** slowing down
- **Public mood:** citizens are angry about job losses and rising prices.

📓 Role Cards

1. Government (Fiscal Policy Team)

Your Priorities:

- Reduce unemployment (more jobs).
- Keep voters happy.
- Manage the government budget.

Your Tools:

- Increase or decrease taxes.
- Increase or decrease government spending.
- Provide subsidies or cut welfare.

Questions to Consider:

- Should you spend more to create jobs, even if it risks higher inflation?
- Should you raise taxes to reduce inflation, even if unemployment worsens?

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2. Central Bank (Monetary Policy Team)

Your Priorities:

- Keep inflation under control.
- Maintain financial stability.
- Encourage investment without overheating the economy.

Your Tools:

- Change interest rates (make borrowing cheaper or more expensive).
- Increase or decrease the money supply.
- Use regulations to control credit/loans.

Questions to Consider:

- Should you raise interest rates to fight inflation, even if unemployment stays high?
- Should you cut interest rates to encourage jobs, even if inflation rises?

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3. Households (Consumers)

Your Priorities:

- Jobs and income security.
- Affordable prices for food, rent, and goods.
- Confidence in the future economy.

Your Concerns:

- If prices rise too fast, your savings lose value.
- If jobs are scarce, families can't survive.

Questions to Consider:

- Do you prefer policies that fight unemployment or inflation?
- Would you support the government if they cut benefits or subsidies?

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4. Firms (Businesses/Producers)

Your Priorities:

- Reduce costs of production (taxes, wages, and borrowing).
- Maintain consumer demand for goods.
- Stability in prices and markets.

Your Concerns:

- High interest rates make borrowing expensive.
- High inflation increases costs (raw materials, wages).
- Unemployment lowers consumer demand.

Questions to Consider:

- Do you want lower interest rates to encourage investment?
- Would you support higher wages if inflation rises?

Activity Flow

1. **(5 min)** Groups discuss their role's priorities.
2. **(10 min)** Government & Central Bank announce policies. Households & Firms react.
3. **(10 min)** Instructor moderates discussion on trade-offs & winners/losers.

Debrief Questions

- Which policies caused conflict between groups?
- Was it possible to balance unemployment and inflation at the same time?
- How did the activity reflect real-world trade-offs in economic policymaking?

Presentation

Role	Policy Decisions and Public Remarks
Government (Fiscal Policy Team)	① Pradhan Mantri Awas yojana :- It focus on providing, affordable houses, to low income families. ② PMJDY : That scheme provide access to banking services like savings accounts, credit, insurance etc.
Central Bank (Monitory Policy Team)	(1) Moderate Increase in interest Rates : Inflation को control करना है इसलिए interest rates थोडा बढ़ाया। 2) Targeted Credit Support : Small Enterprises & agriculture Sector to provide loan & Create job.
Households (Consumers)	consumers are not satisfied with increasing rates of travelling (public transport) If government reduces GST but rises other taxes it is not favourable
Firms (Producers)	Demand for the stability in prices and markets according to financial budget. Every person revolves around the market hence there should be stability according to borrowing rates (interest rates

Participants

Role	Students Name	Roll No.	Sign
Government (Fiscal Policy Team)	Kode laxmi Baswraj	33243	Laxmi
	Pathan shafi Ataulla	33308	[signature]
Central Bank (Monitory Policy Team)	Shaikh Majeed Rashid	33288	[signature]
	Jadhav Govind Vijay	33234	Govind
Households (Consumers)	Solanke Dhanshri. N.	33294	[signature]
	Dwivedi Shrushti. S.	33218	Srushti
Firms (Producers)	Mane Payal Pandurang	33256	Payal
	Patel Arshiya Jamil	33273	APatel

In-charge
Dr. B. P. Chavan

Principal

B. Com FY (Div. 'A')

🎭 Classroom Activity: *Economic Policy Makers*

Objective

Students simulate how different stakeholders (government, central bank, households, firms) make and respond to economic policies when facing stagflation (high inflation + high unemployment).

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Presentation

Role	Policy Decisions and Public Remarks
Government (Fiscal Policy Team)	Increase Government Spending
	Decrease Taxes
Central Bank (Monitory Policy Team)	Avoid Printing too much money
	Provide targeted liquidity to MSME
Households (Consumers)	How to Increase agr. part of GDP
	How to Decrease corruption
Firms (Producers)	How to Decrease inflation?
	How to Increase ~~un~~employment?

Participants

Role	Students Name	Roll No.	Sign
Government (Fiscal Policy Team)	Komatwad Mauli	33118	[signature]
	Sutar Dhapu	33091	S.Daphu
Central Bank (Monitory Policy Team)	kadam mansi	33042	Mansi
	Adsul Sakshi	33001	Sakshi
Households (Consumers)	Ghanule Ankita	33028	[signature]
	chetan bhise	33006	chetan
Firms (Producers)	Fajage Manisha	33115	Manisha
	Shinde Radhika	33085	Radhika

In-charge
Dr. B. T. Chavan

Co-ordinator
Internal Quality Assurance Cell
Dayanand College of Commerce, Latur.

Principal
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