

# **Concept and Classification of Economic Activities**

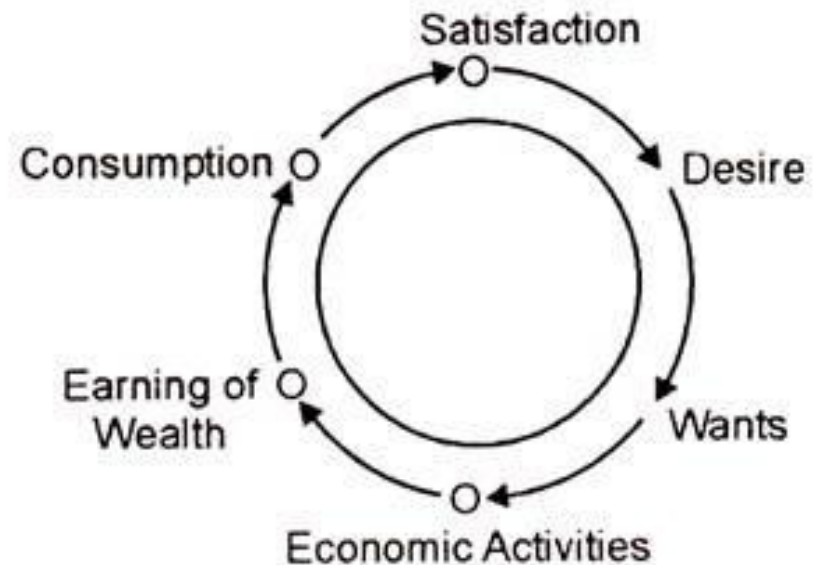
**Dr. Kaustuv Mukherjee  
Asstt. Prof. in Geography  
Chandidas Mahavidyalaya**

## Concept:

**Economic activity** is the activity of making, providing, purchasing, or selling goods or services.

Any action that involves producing, distributing, or consuming products or services is an economic activity. Economic activities exist at all levels within a society.

Additionally, any activities involving money or the exchange of products or services are economic activities.



## Definition:

*Cambridge Dictionary -*

“The activity of producing, buying, or selling products or services.”

*The University of Toronto's Department of Economics –*

“Economic activity is the process by which the stock of resources or stock of capital produces a flow of output of goods and services that people utilize in partial satisfaction of their unlimited wants.”

# Economic activity – classifications

Economists say there are four basic types of economic activities:

- **The Primary Sector**, i.e., raw materials.
- **The Secondary Sector**, which includes industry and manufacturing.
- **The Tertiary Sector**, i.e., services.
- **The Quaternary Sector**, which we also call the ‘knowledge sector.’
- **The Quinary Sector**, managerial services

# The Primary Sector

Direct Extraction of Materials and Production from Nature

Example: Agriculture, Fisheries, Forestry, Mining and Quarrying

**Red Collar Workers**

# The Secondary Sector

Processing, transformation, qualitative upgradation of primary raw materials

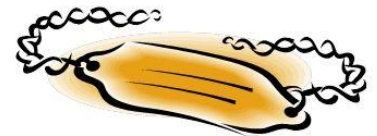
Examples: Household and manufacturing Industries

## Secondary Economic Activities

- An economic activity in which people use raw materials to produce or manufacture new products of greater value.

- Examples:

- Turning wheat into flour
- Milling lumber into plywood
- Making fish into packaged fish sticks
- Turning gold into a bracelet



## Blue Collar Workers

# The Tertiary Sector

Mainly services, Distribution, Exchange and Consumption of Goods

Examples: Trade, Transport, Communication services

**Pink Collar Workers**

## Primary



Agriculture

Hunting

Farming

Fishing

Forestry

## Secondary



Industries

Manufacturing Units

Hydro Electricity

## Tertiary



All types of services

Trade & Commerce

Transport & Communication



Source : Bangladesh Economic review (2008) , Economic Adviser's Wing , Finance Division , Ministry of Finance & higher secondary economics



# The Quaternary Sector

Knowledge sector and administrative Services

Examples: Banking, Hospital Services, Teaching, Research, Information Services, Govt. Services

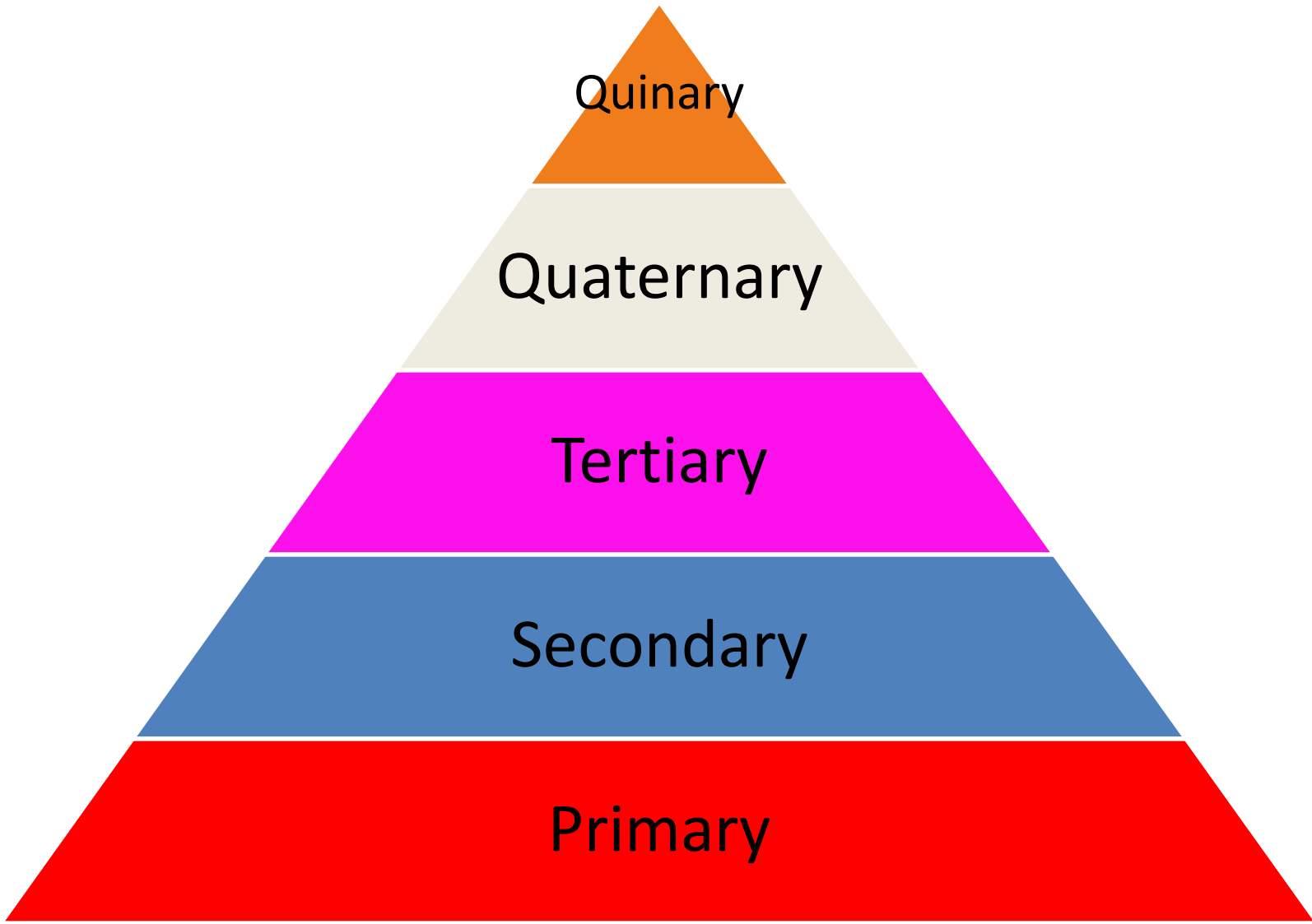
**White Collar Workers**

# The Quinary Sector

High Level Managerial and Executive Services, mainly planners and Decision makers

Examples: Ministerial job, Planning, Management, Decision making

## Gold Collar Workers



Quinary

Quaternary

Tertiary

Secondary

Primary

**Thank You**