

Chapter 1

Introduction

1 Marks Questions

1. Define economics.

Ans. Economics is the study of how people and society choose the scarce resources that could have alternative uses to satisfy their unlimited wants.

2. State the meaning of scarcity.

Ans. Scarcity means shortage of goods and resources in relation to their demand.

3. Write the meaning of statistics in plural sense.

Ans. In plural sense statistics means numerical facts which have been systematically collected.

4. Give meaning of statistics in singular sense.

Ans. In singular sense statistics means statistical methods such as collection, classification, presentation, analysis and interpretation of data.

5. State one limitation of statistics.

Ans. Statistics deals with quantitative facts only.

6. What do you mean by economic activity?

Ans. An economic activity means that activity which is based on use of scarce resources for satisfaction of human wants.

7. What are noneconomic activities?.

Ans. The activities which have no economic aspect or are not related to earn money.

8. Write one function of statistics.

Ans. Statistics presents data in condensed form.

9. Define consumer.

Ans. Consumer is an economic agent who buys the goods and services to satisfy his wants.

10. Who is a producer?.

Ans. Producer is one who produces / sell goods and services for the generation of income.

11. Why does Economic problem arise?

Ans. Economic problem arises due to scarcity of resources and alternative uses of resources.

4 Marks Questions

1. Briefly explain the term service holder and service provider with an example each.
2. What is the scope of statistics now a days?
3. Explain the importance of statistics in economics.
4. Distinguish between quantitative' and qualitative' data with example.
5. Production, consumption and distribution are economic activities. Explain.
6. Why do you want to study economics? Give reasons.
7. Which one of the following is economic activity? Give reason.
 - (i) Transporting sand from river bank to a town.
 - (ii) Attending marriage party.
 - (iii) Parental love and affection towards their children.
8. Which one of the following is noneconomic activity? Give reason.