



INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
Worksheet No: 1	Topic: Micro Economics: Introduction

1. The word Economics is most closely connected to the word.
 - a. **Scarcity**
 - b. Restricted
 - c. Unlimited
 - d. Free
2. In which of the following situations does scarcity arise?
 - a. Supply of resources > Demand for resources
 - b. Demand for resources > Supply of resources**
 - c. Demand for resources = Supply of resources
 - d. All of these
3. Micro economics is concerned with:
 - a. Product pricing
 - b. Consumer behaviour**
 - c. Factor pricing
 - d. All of these
4. A statement which does not offer any suggestion is called:
 - a. Positive statement**
 - b. Normative statement.
 - c. Both a and b
 - d. None of these
5. Normative economics deals with:
 - a. Facts
 - b. Opinions**
 - c. Both of them
 - d. None of these
6. Issues related to unemployment are studied at:
 - a. Micro level.
 - b. Macro level.**

- c. None of these
 - d. Both at micro and macro level.
7. Example of micro economic variable:
- a. Wholesale Price Index
 - b. National Income
 - c. **Market demand of tomatoes**
 - d. Aggregate Demand
8. Scarcity of resources exist at:
- a. Micro level
 - b. Macro Level
 - c. **Both a and b**
 - d. None of these
9. Which of the following is related to how to produce?
- a. Factoral distribution of income
 - b. **Choice of technique**
 - c. Choice of product
 - d. None of these
1. Define the following: (Refer notes)
- i. Micro economics
 - ii. Macro Economics
 - iii. Positive Economics
 - iv. Normative Economics
 - v. Economy
 - vi. Scarcity
 - vii. Centrally Planned economy
 - viii. Market economy
 - ix. Mixed Economy
 - x. Economic problem
2. Gun industry is dealt under Macroeconomics. True / False.
False.
3. Study of problems like inflation or unemployment does not come under the purview of microeconomics.
True.

4. Why is there a need for economizing of resources?

Because there are unlimited wants but limited resources to satisfy them.

5. Give one example (each) of:

i. growth of resources.

ii. Depletion of resources.

i. Discovery of mines or migration of labourers

ii. Depletion of resources: Destruction of resources due to drought or flood.

6. **Discuss the subject matter of economics.**

i. The subject matter of economics includes microeconomics and macroeconomics.

ii. Microeconomics, studies the behaviour of individual economic units of an economy, like households, firms, individual consumers and producers etc. It does not study the economy as a whole.

iii. Macroeconomics is the part of economic theory that studies the economy as a whole, such as national income, aggregate employment, general price level, aggregate consumption, aggregate investment, etc.

7. What gives rise to an economic problem?

If we are not able to satisfy unlimited wants out of limited resources then the economic problem arises.

8. State two features of resources that give rise to an economic problem.

The two features of resources that give rise to an economic problem are:

a. Resources are limited.

b. They have alternative uses.

9. Which type of science is economics?

Economics is a social science.

10. What is the basic reason for economic problem in all economies?

It is scarcity of resources.