



# INDIAN SCHOOL AL WADI AL KABIR

<b>Class: XI</b>	<b>Department: Commerce</b>
<b>Worksheet No: 1</b>	<b>Topic: Statistics: Introduction</b>

1. "Economics is the study of economic welfare" who said this:

- (a) Marshall
- (b) Prof. Pigou
- (c) J. K. Mehta
- (d) Keynes.

**A: a**

2. Statistics Is Applied In

- (A) Economics
- (B) Business Management
- (C) Commerce and Industry
- (D) All of These

**A: d**

3. Which Is Not Considered as An Economic Activity?

- (A) Banking
- (B) Sujata Helping Her Mother in the Kitchen
- (C) Agriculture
- (D) Business

**A: b**

4. The First Stage of Statistical Study is:

- (A) Analysis of Data
- (B) Presentation of Data
- (C) Organisation of Data
- (D) Collection of Data.

**A: d**

5. Statistics is defined in terms of numerical data in the:

- a. Singular sense
- b. Plural sense
- c. Either (a) or (b)
- d. Both (a) and (b)

**A: b**

6. Who is the father of Statistics in Economics?

- a. Bowley

- b. Bodington
- c. Gottfried Achenwall**
- d. Marshall

7. Statistics is:

- a. Facts
- b. Presentation**
- c. Numerical data
- d. None of the above

8. Which of the following is correct regarding statistics?

- a. Aggregate of facts
- b. Numerically expressed
- c. Affected by multiplicity of causes
- d. All of these**

9. In singular sense statistics means:

- a. Statistical science.
- b. Statistical law.
- c. Both a and b.**
- d. None of these.

10. The aggregate of data is called:

- a. Statistics**
- b. Editing
- c. Analysis of data
- d. Collection of data

11. Which of the following is an economic activity?

- a. Blood donation
- b. Offering prayers in a mosque
- c. Production of crops**
- d. None of these

12. Which of the following statements is incorrect?

- a. Resources have alternate uses.
- b. All numbers are statistics.**
- c. Statistics is related to Economics.
- d. Statistics studies aggregates of quantitative facts.

13. The process of converting raw materials into finished products is called:

- a. Consumption
- b. Investment
- c. Distribution
- d. Production**

14. The major cause of emergence of economic problems is:

- a. Unemployment
- b. Scarcity of resources**
- c. Inflation
- d. None of these

15 Statistics is a study of \_\_\_\_\_ facts.

- a. Quantitative**
- b. Qualitative
- c. Both quantitative and qualitative
- d. None of these

16. “You have unlimited wants and limited resources to satisfy them.” Explain by giving two examples.

The problem of scarcity is the most basic economic problem. Human wants are unlimited and resources to satisfy these wants are limited and these limited resources have alternative uses. ‘Scarcity of resources’ implies that there are unlimited wants to be fulfilled by limited resources which leads to lesser supply of resources as compared to demand for them.

The basic concern of an economy is to allocate the scarce resources to the best possible use in order to satisfy maximum wants. The limited resources have alternative uses which along with problem of scarcity makes it necessary for an economy to make a choice among various alternatives.

For example, an economy endowed with a given level of resources has to make a choice between the production of capital goods and consumer goods. The choice of the economy (i.e., what to produce and in what quantities) depends on the need of the economy. While the production of consumer goods will hamper the capital formation in the country for future production, the production of capital goods will not provide sufficient goods for consumption to the present population.

The same problem of scarcity can be felt at an individual level, e.g., with a given amount of money say, 10,000, one cannot buy a refrigerator and a washing machine simultaneously. Thus, the individual needs to make a choice between the alternatives according to his/her priority.

17. Statistical methods are no substitute for common sense. Comment.

It is absolutely true that statistical methods are no substitute for common sense. Statistical data should not be believed blindly as they can be misinterpreted or misused. The statistical data may involve personal bias or may be subject to manipulations for one’s own selfish motive.

Statistical data and methods are subject to the errors committed by an investigator while surveying and collecting data. Thus, one should use his/her common sense while working with the statistical methods.

This point can be understood with the help of an example:

A person who wanted to cross a river with his family but did not know how to swim. He knew the average depth of the river to be 125 cm. His height was 175 cm, that of his wife was 152 cm and his two children measured 120 cm and 90 cm respectively in height.

He calculated the average height of his family and found it to be around 134 cm. He analysed that the average depth of the river was less than the average height of his family and concluded that they all could cross the river safely on foot. This resulted in drowning of his children. This example proves that common sense must supersede statistical methods.

18. Define statistics as a singular noun.

In the singular sense, statistics means the science of statistics or statistical methods. It refers to the techniques or methods relating to the analysis, collection, presentation, classification and interpretation of quantitative data.

19. Define statistics as a plural noun.

In the plural sense, statistics is defined as the information in terms of numerical data or numbers such as employment statistics, statistics concerning public expenditure, population statistics etc.

20. The government and policy makers use statistical data to formulate suitable policies of economic development'. Illustrate with two examples.

The statistical data provide the base for the government and the policy makers to formulate policies. The statistical data not only help them to analyse and evaluate the outcomes of the past policies but also assist them to take corrective measures and to formulate new policies. Statistical data also help the government to ascertain the relationship between economic variables and form policies accordingly.

For example, if Indian Government aims at increasing the national output, then it formulates its investment expenditure policy based on the capital output ratio in the past few years.

Another example could be the preparation of monetary policy. The previous data of inflation and economic growth are taken into consideration for estimating the money supply required in the next period.

1. Define production.

2. Who is a producer?

3. Give one characteristic of statistics.

4. All numerical information is statistics. True /false?

5. Give examples of a statistical statement. Mention two of its features.

6. What are the reasons for studying Economics?

7. How does statistics help the Government in formulating policies to solve unemployment problem?

8. Explain the serious limitations of statistics about which the policy maker has to be careful.

9. Explain the relation between Economics and Statistics.

10. Write any three significance of statistics in Economics.

