

**CLASS: XI ECONOMICS**

1. Distinguish between microeconomics and macroeconomics. Give example.
2. Why does an economic problem arise? Explain the problem of 'How to Produce'?
3. Explain the problem of 'What to Produce' with the help of an example.
4. 'For whom to produce' is a central problem of an economy. Explain.
5. State three differences between normative economic analysis and positive economic analysis.
6. Write any three differences between Market Economy and Centrally Planned Economy
7. Why does an economic problem arise.
8. Write two characteristics of resources.
9. What do you mean by scarcity?
10. Why is the slope of PPF downward?
11. Why does the PPF look concave to the origin?
12. Define Marginal Rate of Transformation.
13. What is positive economic analysis?
14. Explain Normative economic analysis.
15. Define Market Economy.
16. What do you mean by centrally planned economy?

17. Why does total utility increase at a diminishing rate due to a continuous increase in units of a good consumed?
18. Due to a decrease in the price of pen, why does the demand for ink increase?
19. When does the budget line shift leftwards?
20. Under what situation does the slope of a changed budget line become flatter?
21. What change should take place in the price of the combination of two goods so that the slope of the budget line becomes steeper?
22. What will be the behavior of total utility when the marginal utility curve lies below the X-axis?
23. What are the reasons behind the Law of Demand? State any two.
24. Explain the law of diminishing marginal utility with the help of a utility schedule.
25. Explain consumer equilibrium with the utility approach when a consumer is consuming one good.
26. What do you mean by a budget line? What are the reasons for a change in the budget line?
27. Explain the relationship between total utility and marginal utility with the help of a schedule.