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Q.1.What are Wants?

1. Desires for goods and services.
2. Desires for needs
3. Desires for basic necessities.

Q.2. Resources are

1. Factors used to produce goods and services.
2. Factors used to produce desires and wants
3. Factors used to produce needs .

Q.3.The economic problem is

1. Unlimited wants exceeding finite resources.
2. Unlimited wants exceeding infinite resources.
3. Unlimited wants exceeding infinite desires.

Q.4.Scarcity is a Situation

1. Where there is not enough to satisfy everyone's wants.
2. Where there is enough to satisfy everyone's wants.
3. Where there is enough to satisfy everyone's needs.

Q.5. What causes economic agents to make choices?

1. Limited needs and wants
2. The existence of finite resources
3. The market mechanism

Q.6. What is the basic economic problem?

1. Excess supply of goods and services.
2. Lack of profits.
3. Scarcity of resources.

Q.7.Which combination of terms gives the general definition of the economic problem?

1. Bigger families ,less food, starvation.
2. Falling supply, rising demand ,shortage.
3. Limited resources ,unlimited wants,scarcity.

Q.8. Why is choice an important part of the basic economic problem.

1. Limited resources have many uses .

2. Manufactures produce large variety of foods .
3. The market leads to an unequal distribution of goods.

Q.9. Which economic change would increase the problem of scarcity ?

- 1 A reduction in waste
2. An increase in labour productivity.
3. A decrease in fish stock

Q.10. The hospital cannot treat all the people that need treatment. This is an example of .

1. Excess supply
2. Limited wants
3. Scarcity