



ST. LAWRENCE HIGH SCHOOL



A Jesuit Christian minority Institution

Subject: Economics

Class- XI

Date:26/06/2020

Worksheet-11

Chapter- Economic Problems and Economic Systems

Topic- Capitalist Economy – Merits and Demerits

1. Choose the correct alternative. 1x15=15
- a) Capitalist economy works on the basis of i) non-profit motive ii) profit motive iii) the wellbeing of the society iv) none of these
 - b) In capitalist economy consumers can purchase commodities i) according to their preference ii) according to producer's preference iii) selected by government iv) none of these
 - c) In capitalist economy ownership of means of production is vested in the hand of i) society ii) government iii) individuals iv) none of these
 - d) In capitalist economy an individual can take up any occupation i) according to their will ii) according to government rules iii) according to rules of society iv) none of these
 - e) In capitalist economy i) labour and capital are mobile in nature ii) labour and capital are not mobile in nature iii) labour and capital can move only if government wants iv) none of these
 - f) In capitalist economy, price gets determined by i) government intervention ii) forces of demand and supply iii) central planning authority iv) none of these
 - g) In capitalist economy, price of the factors of production gets determined by i) market forces ii) government intervention iii) central planning authority iv) none of these
 - h) One of the merits of capitalist system is i) there is no competition ii) absolute liberty of producers and consumers iii) there is no inequality in the distribution of income iv) none of these
 - i) A capitalist economic system is i) hugely affected by bureaucratic interference ii) free from bureaucratic interference iii) affected by government intervention iv) none of these

- j) One of the important demerits of the capitalist system is i) it has an automatic mechanism ii) there is inequality in the distribution of income iii) complete liberty of consumers iv) none of these
- k) There is possibility of efficient allocation of resources in i) socialist economy ii) capitalist economy iii) both (i) and (ii) iv) none of these
- l) A very important feature of capitalist system is i) class struggle ii) security of workers iii) bureaucratic interference iv) none of these
- m) Business cycles are regularly found in i) socialist economic system ii) capitalist economic system iii) (i) and (ii) both iv) none of these
- n) In the present world we find i) no capitalist system ii) pure capitalist system iii) regulated capitalist system iv) none of these
- o) The main reason behind class struggle is i) conflicting interests of capitalist class and working class ii) complete liberty of producers and consumers iii) bureaucratic interference iv) none of these

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