



ST. LAWRENCE HIGH SCHOOL



A Jesuit Christian minority Institution

Subject: Economics

Class- XI

Date:02/07/2020

Answer key of Worksheet-16

Chapter-Economic problems and Economic Systems

Topic- Underdeveloped economy and its characteristics

1. Choose the correct alternative. 1x15=15
- a) One of the important characteristics of underdeveloped economy is i) they lack natural resources ii) high standard of living **iii) they fail to utilize the natural resources they have** iv) none of these
- b) Another important characteristics of underdeveloped economy is i) low rate of population growth **ii) Backward production method** iii) high rate of capital formation iv) none of these
- c) An underdeveloped economy is characterized by i) high per capita income ii) large proportion of labour force in the tertiary sector **iii) state of deprivation of large proportion of population** iv) all the above
- d) Scarcity of capital, technological backwardness are usually found in i) developed economy **ii) underdeveloped economy** iii) both iv) none of these
- e) Which of the following denotes an underdeveloped economy ?
i) predominance of primary sector ii) less inequality in distribution of income iii) lack of natural resources iv) none of these
- f) Which among the following is a characteristics of underdeveloped economy ?
i) Vicious circle of poverty ii) Rising mass consumption iii) growth of industries iv) none of these
- g) Which of the following denotes an underdeveloped economy ?
i) exporting industrial goods and importing agricultural goods ii) high rate of saving and investment **iii) exporting agricultural goods and importing industrial goods** iv) none of these
- h) An underdeveloped economy is characterized by i) high intensity of unemployment problem ii) poor quality human capital **iii) (i) and (ii) both** iv) none of the above

- i) Which of the following denotes an underdeveloped economy?
 i) high level of inequalities ii) low level of capital productivity iii) A relatively closed economy iv) all the above
- j) Capital formation in underdeveloped economy is a major bottle neck .The reason can be i) low level of income ii) low rate of saving iii)small size of markets with no incentive for investment iv) all the above
- k) Which of the following is an example of underdeveloped economy.
 i) Mozambique ii) South Sudan iii) India iv) all the above
- l) In underdeveloped countries money market has i) 2 parts ii) 3 parts iii) no parts iv) 4 parts
- m) An underdeveloped economy is characterized by i) high standard of living ii) dual economy iii) improved infrastructure iv) none of the above
- n) In some underdeveloped countries there exists i) very few people living below poverty line ii) equality in distribution of income iii) a non-monetised sector where most of the transaction are barter transactions iv) none of these
- o) Which of the following is an example of underdeveloped economy?
 i) Norway ii)Iceland iii) Bangladesh iv) all the above

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