



ST. LAWRENCE HIGH SCHOOL



A Jesuit Christian minority Institution

Subject: Economics

Class- XI

Date:19/06/2020

Worksheet-5

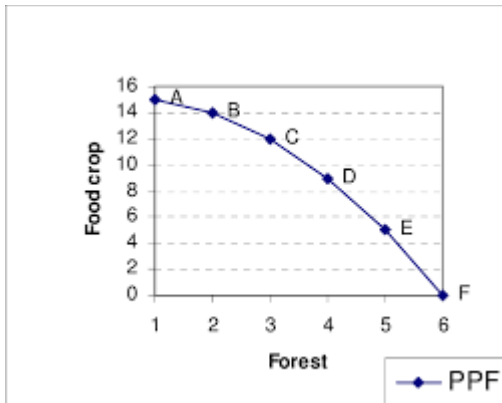
Chapter- Definition and subject matter of Economics

Topic- Shift of PPC and concept of opportunity cost

1. Choose the correct alternative. 1x15=15
- a) Optimum allocation of resources means i) increase in production of one commodity with the other remaining same ii) increase in production of one commodity with the other decreasing iii) increase in production of both commodities iv) none of these
- b) Economy is moving from one point to another with both the commodity increasing means i) there are under utilized resources ii) optimum utilization of resources iii) over utilization of resources iv) none of these
- c) If positive technological change occurs then i) as a result number of labours increases ii) it improves productivity of the available resources iii) it decreases productivity of the available resources iv) none of these
- d) A positive technological change implies i) leftward shift of the PPC ii) PPC remains in its place iii) rightward shift of the PPC iv) none of these
- e) If there is an increase in the available resources then i) PPC shifts leftward ii) PPC shifts rightward iii) PPC remains in its place iv) none of these
- f) A positive technological change leading the PPC to shift rightward means i) increase in the production of both the commodities simultaneously ii) increase in production of one commodity while production of the other decreases iii) increase in the production of one commodity and production of the other remains same iv) none of these
- g) Amount of one commodity sacrificed for getting one additional unit of the other is known as i) production cost ii) marginal cost iii) opportunity cost iv) none of these

h) Basic fact behind the concept of opportunity cost is i) resources are unlimited ii) one resource has many alternative uses iii) one resource has one specific use iv) none of these

i) In the following figure, When we move from B to C, opportunity cost of forest in terms of food crops is i) 3 units ii) 1 unit iii) 2 units iv) none of these



j) In the above figure, when we move from D to E, opportunity cost in terms of food crop is i) 4 units ii) 5 units iii) 3 units iv) none of these

k) PPC is concave to origin because of i) decreasing opportunity cost ii) constant opportunity cost iii) increasing opportunity cost iv) none of these

l) If opportunity cost remained the same then, PPC would look like i) convex to the origin ii) concave to the origin iii) downward sloping straight line iv) none of these

m) Efficient utilization of resource takes place where i) opportunity cost is the lowest ii) opportunity cost is the highest iii) it has nothing to do with opportunity cost iv) none of these

n) In the above figure what is the opportunity cost of food crop in terms of forest when we move from E to D i) $1/3$ units ii) $1/4$ units iii) $1/2$ units iv) none of these

o) In the above figure what is the opportunity cost of food crop in terms of forest when we move from D to C i) $1/3$ units ii) $1/4$ units iii) $1/2$ units iv) none of these

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