

NCERT SOLUTIONS

CLASS - 11th



aglasem.com

Class : 11th
Subject : Statistics
Chapter : 1
Chapter Name : Introduction

Q1 Mark the following statements as true or false :

- (i) Statistics can only deal with quantitative data.
- (ii) Statistics solves economic problems.
- (iii) Statistics is of no use to Economics without data.

Answer.

- (i) True. Statistics involves quantitative study of data and no study of qualitative data such as honesty, dishonesty, etc.
- (ii) True. To a large extent, the economists are able to understand the problems and their causes in a better way when the data is available statistically. The causes can then be addressed to to solve the problem efficiently.
- (iii) True. No data implies no facts based on exact numbers. Therefore, in the absence of data, Statistics can provide only statements and no conclusions.

Page : 8 , Block Name : Exercises

Q2 Make a list of activities that constitute the ordinary business of life. Are these economic activities?

Answer. The activities constituting ordinary business of life are:

1. Making market purchase.
2. Watching Cinema.
3. Travelling and working in an organisation.
4. Producing a commodity on a commercial scale.
5. Lending services to others for money.

Yes. The activities mentioned above are economic activities because they involve consumption, production and distribution of products and commodities.

Page : 8 , Block Name : Exercises

Q3 'The Government and policymakers use statistical data to formulate suitable policies of economic development'. Illustrate with two examples.

Answer. The following are examples to illustrate the above statement:

1. In the law making, the government needs to study the statistical data on the past conditions of the industry if it wants to bring reformation in that sector.
2. If the government wants to provide economic benefits or relaxation to the people, it needs to study the statistical data to know its pros and cons.

Page : 8 , Block Name : Exercises

Q4 You have unlimited wants and limited resources to satisfy them. Explain by giving two examples.

Answer. The two examples of such a condition are:

1. An average country has limited money to spend and hence it has to choose between purchasing arms and ammunition and importing food grains for the people. If it is a rich country, it can afford to purchase both.
2. In case you have limited money, you can either buy a house or start a business. If you have unlimited resources, you can afford both.

Page : 8 , Block Name : Exercises

Q5 How will you choose the wants to be satisfied?

Answer. The wants of a person or an organisation are chosen based on the utility. A want that is of the highest importance is satisfied first, followed by the ones in the decreasing order of their priorities. The wants are also satisfied based on the availability of the products and the budget available.

Page : 8 , Block Name : Exercises

Q6 What are your reasons for studying Economics?

Answer. The reasons for studying Economics are:

- The study of economics enables us to predict the consumer behaviour in the different states of the market.

- It also helps us to predict the production and its costs. To minimise the cost of production, certain inputs are clubbed and at times are optimised so as to produce the maximum output based on minimum input.
- The study of economics enables us to devise methods to solve major problems of a country such as poverty, hunger, unemployment which are interrelated in most of the cases.
- The study of economics also tells us about the economic disparity of a country. For example, most of the developed countries have a uniform distribution of money whereas in the developing countries, most of the money is concentrated in the hands of a few people.

Page : 8 , Block Name : Exercises

Q7 Statistical methods are no substitute for common sense. Comment.

Answer. Statistics can be used to make major predictions but in no case should they be preferred over common sense. For example, the initial velocity of a train in the first few seconds is 4 m/s and an average human can run with a velocity of 6 m/s. This does not mean he should attempt to board a moving train.

Similarly, a person can easily cross a river which is almost 1.5 metres deep based on statistics, but he shouldn't attempt to do it if he does know how to swim as he might drown.

Page : 8 , Block Name : Exercises