

**Model Question Paper**  
**Basic Economics problems - Part II**

12th Standard

**Economics**

Reg.No. : 

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I. Answer all the questions.

II. Use Blue pen only.

Time : 01:40:00 Hrs

Total Marks : 90

5 x 1 = 5

**Section-A**

- 1) All societies must solve the basic issues - what to produce, how to produce and for whom to produce.  
(a) All the three (b) only two (c) only the third (d) any one
- 2) A capitalist economy is also called as \_\_\_\_\_  
(a) Command economy (b) Planned economy (c) Market economy (d) Traditional economy
- 3) The right to property exists largely in \_\_\_\_\_  
(a) traditional society (b) capitalism (c) socialism (d) mixed economy
- 4) Non-interference of the State is a characteristic feature of the  
(a) Socialist economy (b) Capitalist economy (c) Traditional economy (d) Planned economy
- 5) Free market mechanism is the centre of all economic activities under  
(a) Subsistence economy (b) welfare economy (c) market economy (d) command economy

**Section-B**

- 6) What is socialist economy?
- 7) What is an economic system?
- 8) Name the important general economic systems.
- 9) Write a short note on traditional economy.
- 10) What is capitalist economy?

5 x 3 = 15

**Section-C**

- 11) What is an economic system? What are its basic problems?
- 12) Discuss the features of traditional economy.
- 13) Explain the merits of Capitalistic Economy.
- 14) What are the disadvantages of capitalism?
- 15) Explain the salient features of socialism.

5 x 10 = 50

**Section-D**

- 16) Describe the 'Production Possibility Curve' with a suitable diagram?
- 17) Compare the merits of capitalism with that of socialism.

2 x 20 = 40

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