

CHAPTER-2 | People as Resource

QUIZ-01

1. How does the chapter define "People as Resource"?
 A. A burden on the economy.
 B. Individuals contributing to economic growth through their productive skills and knowledge.
 C. People engaged solely in agricultural activities.
 D. The total population of a country. (B)

Explanation: The chapter describes people as a resource when their productive skills and knowledge contribute to the Gross National Product through education, training, and health.

2. What is the main idea behind human capital formation?
 A. Investing in physical infrastructure.
 B. Development of skills through education, training, and healthcare.
 C. Accumulation of land and machinery.
 D. Focus on reducing the population. (B)

Explanation: Human capital formation refers to improving the productive power of individuals by investing in education, skills, and healthcare, enhancing their economic and social value.

3. What differentiates human resources from physical capital like land and machinery?
 A. Human resources are self-utilized; physical capital is not.
 B. Physical capital is renewable, human resources are not.
 C. Human resources make land and machinery productive.
 D. Physical capital is superior to human resources. (C)

Explanation: Human resources are unique because they utilize and improve the productivity of physical capital like land and machinery through knowledge and skills.

4. Which of the following illustrates the importance of human capital in India's economy?
 A. Green Revolution
 B. Industrial Revolution
 C. IT Revolution
 D. Both A and C (D)

Explanation: The Green and IT Revolutions demonstrate the role of knowledge and skills in enhancing productivity and contributing to India's economic growth.

5. How does education contribute to human capital formation?
 A. By reducing job opportunities.
 B. By opening up new aspirations and increasing productivity.
 C. By creating a dependency on government jobs.
 D. By limiting the use of physical resources. (B)

Explanation: Education opens new aspirations, enhances productivity, and equips individuals with skills that contribute to personal growth and economic development.

6. What is the difference between market and non-market activities?
 A. Market activities involve pay; non-market activities are unpaid.
 B. Market activities are only in agriculture; non-market activities involve education.
 C. Market activities are unskilled; non-market activities are skilled.
 D. There is no difference. (A)

Explanation: Market activities generate income and involve remuneration, whereas non-market activities include self-consumption or unpaid household work.

7. Why are women often employed in low-paid jobs?
 A. Due to lack of opportunities.
 B. Because of insufficient education and skill formation.
 C. They prefer low-paying jobs.
 D. They lack work-life balance. (B)

Explanation: Women often receive less education and skill training compared to men, limiting their access to well-paying and secure jobs.

8. What is "disguised unemployment"?
 A. People unable to work due to health issues.
 B. More workers employed than required in a job.
 C. Unemployment among urban youth.
 D. Seasonal unemployment in rural areas. (B)

Explanation: Disguised unemployment occurs when the number of workers exceeds the actual requirement, leading to no additional productivity despite more people working.

9. What key factors determine the quality of a population?
 A. Income, landownership, and physical health.
 B. Literacy rate, life expectancy, and skill formation.
 C. Employment rate, technology use, and birth rate.
 D. Population size, birth rate, and education. (B)

Explanation: The quality of a population is assessed based on education, health (life expectancy), and skills that enhance productivity and economic contribution.

10. What was the key reason behind the development of Japan as a rich country despite lacking natural resources?
 A. Investment in agriculture.
 B. Investment in human resources, especially education and health.
 C. Dependency on imports.
 D. Low population growth. (B)

Explanation: Japan's success is attributed to its strategic investment in human capital, enabling it to effectively use imported natural resources and advanced technology.