

EXAMINATION QUESTIONS

ECONOMICS.

LESSON XIV.

1. Define the functions of the entrepreneur.
2. Explain how the functions of the entrepreneur are divided in modern corporate industry.
3. From the purely economic point of view, is it wise for the farmer to spend all his time in manual labour? Explain.
4. "The entrepreneur is the residual claimant of the product of industry." Explain carefully.
5. Give instances taken from the actual business world in which profits are to be regarded as essentially:
 - (a) wages of management;
 - (b) the result of the success of a risky enterprise;
 - (c) due to monopoly of the sale of the product.
6. A promoter buys up various street railway lines, forms a new company, which is greatly over-capitalized, and sells the stock at a gain. Is the gain profit, and if so, what kind of profit?
7. "Monopoly profits are more likely to be permanent than competitive profits." Discuss.
8. What economic advantages are likely to accrue to an employing entrepreneur from the introduction of a profit-sharing scheme? Describe different schemes in operation.
9. Are labour unions likely to look with favour upon profit-sharing? Why?
10. Do you expect that profit-sharing will become common in this country? Discuss.