



**V.M.G. RAJASEKARAN RAMANI SRI SARADA SAKTHI MAT. HR. SEC. SCHOOL**

**WEEKLY TEST NO. 3**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON -3. THEORIES OF EMPLOYMENT AND INCOME**

**I Fill in the blanks**

**5X1=5**

1. Structural unemployment is a feature in a \_\_\_\_\_.
2. The main contention of the classical Economic theory is \_\_\_\_\_.
3. The component of aggregate demand is \_\_\_\_\_.
4. The core of the classical theory of employment is \_\_\_\_\_.
5. The basic concept used in Keynes Theory of Employment and Income is \_\_\_\_\_.

**II Answer the following**

**2X2=4**

6. Define full employment.
7. What is effective demand?



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**II Answer the following**

**2X2=4**

6. Define full employment.
7. What is effective demand?

**III Answer the following****2X3=6**

8. Write short note on the implications of Say's law.
9. Write any five differences between classism and Keynesianism.

**IV Answer the following five mark****2X5=10**

10. Narrate the equilibrium between ADF and ASF with diagram.
11. Describe the types of unemployment.

**III Answer the following****2X3=6**

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**WEEKLY TEST NO. 4**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON – 4. CONSUMPTION AND INVESTMENT FUNCTION**

**I Fill in the blanks**

**5X1=5**

1. As national income increases \_\_\_\_\_.
2. The relationship between total spending on consumption and the total income is the \_\_\_\_\_
3. The multiplier is calculated as \_\_\_\_\_
4. As income increases, consumption will \_\_\_\_\_
5. The term MEC was introduced by \_\_\_\_\_

**II Answer the following**

**2X2=4**

6. What is consumption function?
7. Define marginal propensity to consume (MPC).



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**WEEKLY TEST NO. 4**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

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**II Answer the following**

**2X2=4**

6. What is consumption function?
7. Define marginal propensity to consume (MPC).

**III Answer the following****2X3=6**

8. State the propositions of Keynes's Psychological Law of Consumption
9. Explain any three subjective and objective factors influencing the consumption function.

**IV Answer the following five mark****2X5=10**

10. Explain Keynes psychological law of consumption function with diagram.
11. Explain the operation of the Accelerator.

**III Answer the following****2X3=6**

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**WEEKLY TEST NO - 5**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON – 4. CONSUMPTION AND INVESTMENT FUNCTION**

**I Fill in the blanks**

**5X1=5**

- The MPC is equal to :  
a) Total spending / total consumption      b) Total consumption/total income  
c) Change in consumption /change in income      d) none of the above.
- As increase in consumption at any given level of income is likely to lead  
a) Higher aggregate demand      b) An increase in exports  
c) A fall in taxation revenue      d) A decrease in import spending
- If the Keynesian consumption function is  $C=10+0.8 Y$  then, if disposable income is Rs 1000, what is amount of total consumption?  
a) ₹ 0.8      b) ₹ 800      c) ₹ 810      d) ₹ 0.81
- The sum of the MPC and MPS is \_\_\_\_\_  
a) 1      b) 2      c) 0.1      d) 1.1
- When investment is assumed autonomous the slope of the AD schedule is determined by the \_\_\_\_\_  
a) marginal propensity to invest      b) disposable income  
c) marginal propensity to consume      d) average propensity to consume



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**WEEKLY TEST NO - 5**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

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a) marginal propensity to invest      b) disposable income  
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**II Answer the following****2X2=4**

6. Define Multiplier.
7. Define Accelerator.

**III Answer the following****2X3=6**

8. Mention the differences between accelerator and multiplier effect
9. State the concept of super multiplier.

**IV Answer the following five mark****2X5=10**

10. Illustrate the working of Multiplier.
11. What are the differences between MEC and MEI

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**WEEKLY TEST NO - 7**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON – 5. MONETARY ECONOMICS**

**I Fill in the blanks**

**5X1=5**

1. Money is

- (a) acceptable only when it has intrinsic value (b) constant in purchasing power  
(c) the most liquid of all assets (d) needed for allocation of resources

2. depreciation of the value of money.

- (a) Creeping (b) Walking (c) running (d) Hyper

3. Irving Fisher's Quantity Theory of Money was popularized in

- (a) 1908 (b) 1910 (c) 1911 (d) 1914

4. Debit card is an example of

- (a) currency (b) paper currency (c) plastic money (d) money

5. "Money can be anything that is generally acceptable as a means of exchange and that the same time acts as a measure and a store of value", This definition was given by

- (a) Crowther (b) A.C. Pigou (c) F.A. Walker (d) Francis Bacon



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**WEEKLY TEST NO - 7**

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**ECONOMICS**

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**II Answer the following****2X2=4**

6. Define inflation.
7. What is stagflation?

**III Answer the following****2X3=6**

8. Explain Demand-pull and Cost push inflation?
9. Explain disinflation.

**IV Answer the following five mark****2X5=10**

10. What are the causes and effects of inflation on the economy?
11. Describe the phases of Trade cycle.

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**WEEKLY TEST NO - 8**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON – 1 & 2**

**I Fill in the blanks**

**5X1=5**

1. Indicate the fundamental economic activities of an economy.  
a) Production and Distribution      b) Production and Exchange  
c) Production and Consumption      d) Production and Marketing
2. Economic system representing equality in distribution is \_\_\_\_\_.  
a) Capitalism      b) Globalism      c) Mixedism      d) Socialism
3. Quantity of a commodity accumulated at a point of time is termed as \_\_\_\_\_.  
a) production      b) stock      c) variable      d) flow
4. The average income of the country is ....  
(a) Personal Income      (b) Per capita income      (c) Inflation Rate      (d) Disposal Income
5. Expenditure method is used to estimate national income in .....  
(a) Construction sector      (b) Agricultural Sector      (c) Service sector      (d) Banking sector



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**WEEKLY TEST NO - 8**

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**ECONOMICS**

**MARKS: 25**

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**II Answer the following****2X2=4**

6. What is meant by Economy?
7. Define National Income

**III Answer the following****2X3=6**

8. Briefly explain the two sector circular flow model.
9. List the uses of National Income.

**IV Answer the following five mark****2X5=10**

10. Compare the feature among Capitalism, Secularism and Mixedism
11. What are the difficulties involved in the measurement of national income?

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**WEEKLY TEST NO - 12**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON – 9. FISCAL ECONOMY**

**I Fill in the blanks**

**5X1=5**

1. Which of the following is a direct tax?  
a) Excise duty    b) Income tax    c) Customs duty    d) Service tax
2. Which of the following canons of taxation was not listed by Adam Smith?  
a) Canon of equality    b) Canon of certainty    c) Canon of convenience    d) Canon of simplicity
3. "Revenue Receipts" of the Government do not include  
a) Interest    b) Profits and dividends    c) Recoveries and loans    d) Rent from property
4. Conversion of public debt means exchange of  
a) new bonds for the old ones    b) low interest bonds for higher interest bonds  
c) Long term bonds for short term bonds    d) All the above
5. Consider the following statements and identify the right ones.  
i. The finance commission is appointed by the President  
ii. The tenure of Finance commission is five years  
a) i only    b) ii only    c) both    d) none



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**WEEKLY TEST NO - 12**

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**II Answer the following****2X2=4**

6. Write a short note on zero based budget.
7. What are the components of GST?

**III Answer the following****2X3=6**

8. Point out any three differences between direct tax and indirect tax.
9. Mention any three methods of redemption of public debt.

**IV Answer the following five mark****2X5=10**

10. Explain the principles of federal finance.
11. What are the reasons for the recent growth in public expenditure?

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**WEEKLY TEST NO - 15**

**STD: XII**

**ECONOMICS**

**MARKS: 25**

**LESSON – 9 & 10 (3 Marks)**

**I Answer the following 3 mark questions:**

1. Describe the canons of Taxation. 3
2. Mention any three similarities between public finance and private finance. 3
3. State any three differences between direct tax and indirect tax. 3
4. Mention any three methods of redemption of public debt. 3
5. Brief the linkage between economy and environment. 3
6. Explain different types of air pollution. 3
7. State the meaning of e-waste. 3
8. Write a note on a) Climate change and b) Acid rain 4

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**WEEKLY TEST NO - 15**

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**ECONOMICS**

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