

+2 E/M one mark B/B Q. No -2 .Prepared by J. ILANGO, GHSS, ZUZUVADI

1) Identify the other name of macroeconomics.

- a) price theory b) income theory c) market theory d) micro theory

2) Identify the flow variable

- a) money supply b) assets c) income d) foreign Exchange reserves

3) the circular flow model that represent an open economy

- a) two sector model b) three sector model c) four sector model d) all the above

4) The branches of the subject economics is

- a) wealth and welfare b) production and consumption c) demand and supply d) micro and macro

5) Net National product at factor cost is also known as

- a) national income b) domestic income c) per capita income d) salary

6) The average income of the country is

- a) personal income b) per capita income c) inflation rates d) disposable income

7) Income method is measured by summing up of all forms of -----

- a) revenue b) taxes c) expenditure d) income

8) The value of national income adjusted for inflation is called

- a) inflation rate b) disposable income c) GNP d) real national income

9) J.B.Say is a

- a) Neo classical economist b) classical economist c) modern economist d) new economist

10) Say's law stressed the operation of ----- in the economy

- a) induced price mechanism b) automatic price mechanism c) induced demand d) induced investment

11) Classical theory advocates

- a) balanced budget b) unbalanced budget c) surplus budget d) deficit budget

12) The basic concept used in Keynes theory of employment and income is-----

- a) Aggregate demand b) Aggregate supply c) Effective demand d) Marginal propensity to consume

13) The average propensity to consume is measured by a) C/Y b) $C \times Y$ c) Y/C d) $C+Y$

14) if the Keynesian consumption function is $C=10+0.8 Y$ then if disposable income is! ₹1000, what is amount of total consumption

- a) ₹0.8 b) ₹800 c) ₹810 d) ₹0.81

15) The multiplier tells us how much -----changes after a shift in -----

- a) Consumption, income b) investment, output c) savings, investment d) output, aggregate demand

16) 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

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- 17) The basic distinction between M1 and M2 is with regard to
a) post office deposits b) time deposits of banks c) saving deposits of banks d) currency
- 18) The study of alternating fluctuations in business activity is referred to in economics as
a) Boom b) Recession c) Recovery d) Trade cycle
- 19)----- is a decrease in the rate of inflation.
a) Disinflation b) Deflation c) Stagflation d) Depression
- 20)----- inflation occurs when general price of commodities increases due to increase in production costs such as wages and raw materials
a) Cost-push b) demand pull c) running d) Collapsing
- 21) Bank credit refers to a) Bank loans b) Advances c) a and b d) Borrowings
- 22) ARDC started functioning from a) June 3, 1963 b) July 3, 1963 c) June 1, 1963 d) July 1, 1963
- 23) Who will act as the banker to the Govt of India
a) SBI b) NABARD c) ICICI d) RBI
- 24) NBFI does not have
a) banking licence b) government approval c) Money market approval d) Finance ministry approval
- 25) International trade differs from domestic trade because of
a) Trade restriction b) Immobility of factors c) Different government policies d) All the above
- 26) In the case of BOT
a) transactions of goods are recorded b) transactions of both goods and services are recorded
c) both capital and financial accounts are included d) all the above
- 27) Trade between two countries is known as ----- trade
a) External b) Internal c) Inter-regional d) Home
- 28) Net export equals-----
a) $\text{Export} \times \text{Import}$ b) $\text{Export} + \text{Import}$ c) $\text{Export} - \text{Import}$ d) Export of service only
- 8 to 12 lesson
- 29) International Development Association is an affiliate of
a) IMF b) World Bank c) SAARC d) ASEAN
- 30) The organisation which provides long term loan is
a) World Bank b) IMF c) WTO d) BRICS
- 31) Which of the following does not come under 'six dialogue partners' of ASEAN?
a) China b) Japan c) India d) North Korea
- 32) SAARC agricultural information centre works as a central information institution for agriculture related resources was founded on a) 1985 b) 1988 c) 1992 d) 1998
- 33) One of the following is not a feature of private Finance
a) balancing of income and expenditure b) secrecy c) savings some part of income d) publicity

- 34) The primary purpose of deficit financing is
a) economic development b) economic stability c) economic equality d) Employment generation
- 35) The word budget has been derived from the French word 'bougette' which means
a) A small bag b) an empty box c) a box with papers d) none of the above
- 36) 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
- 37) the term environment has been derived from a French word
a) Environ b) Environs c) Environs d) Envir
- 38) One of the most important market failures is caused by-----
a) Positive externalities b) Negative externalities c) Both d) None of the above
- 39) Primary cause of soil pollution is-----
a) Pest control measures b) Land reclamation c) Agricultural runoff d) Chemical fertilizer
- 40) The word biotic means environment
a) leaving b) non living c) physical d) none of the above
- 41) Which is not a features of economic growth?
a) concerned with developed Nations b) gradual change c) concerned with quantitative aspect d) wider concept
- 42) The non economic determinant of economic development
a) Natural resources b) Human resources c) Capital formation d) Foreign trade
- 43) The basic philosophy behind long- term planning is to bring----- changes in the economy?
a) Financial b) Agricultural c) Industrial d) Structural
- 44) Planning commission was set up in the year a) 1950 b) 1951 c) 1947 d) 1948
- 45) M N Roy was associated with-----
a) Congress plan b) People's plan c) Bombay plan d) None of the above
- 46) Sarvodaya plan was advocated by-----
a) Mahatma Gandhi b) J P Narayanan c) SN Agarwal d) MN Roy
- 47) The term Uuis introduced for the representation of
a) Omitted Variable b) Standard error c) Bias d) Discrete Variable
- 48) Econometrics is the amalgamation of
a) 3 subjects b) 4 subjects c) 2 subjects d) 5 subjects
- 49) The word 'statistics' is used as -----
a) Singular b) Plural c) Singular and Plural d) None of the above
- 50) In the regression equation $Y = a + bX$ the Y is called:
a) Independent variable b) Dependent variable c) Continuous variable d) none of the above