

XII ECONOMICS – REVISION II (L.NO.1, 2 & 3)



V.M.G. RAJASEKARAN–RAMANI

SRI SARADA SAKTHI
MAT. HR. SEC. SCHOOL**ECONOMICS****GRADE: XII****REVISION TEST - 2****MARKS: 90****I CHOOSE THE CORRECT ANSWER**

20 X 1 = 20

- Who is regarded as Father of Modern Macro Economics?
a) Adam Smith b) J M Keynes c) Ragnar Frisch d) Karl Marx
- Identify the other name for Macro Economics.
a) Price Theory b) Income Theory c) Market Theory d) Micro Theory
- Indicate the fundamental economic activities of an economy.
a) Production and Distribution b) Production and Exchange
c) Production and Consumption d) Production and Marketing
- An economy consists of
a) consumption sector b) Production sector c) Government sector d) All the above
- Economic system representing equality in distribution is _____.
a) Capitalism b) Globalism c) Mixedism d) Socialism
- Identify the flow variable.
a) money supply b) assets c) income d) foreign exchange reserves
- The Circular Flow Model that represents an open Economy.
a) Two Sector Model b) Three Sector Model c) Four Sector Model d) All the above
- National income is measured by using methods.
(a) Two (b) Three (c) Five (d) Four
- Income method is measured by summing up of all forms of
(a) Revenue (b) Taxes (c) expenditure (d) Income
- is deducted from gross value to get the net value.
(a) Income (b) Depreciation (c) Expenditure (d) Value of final goods
- The financial year in India is
(a) April 1 to March 31 (b) March 1 to April 30
(c) March 1 to March 16 (d) January 1 to December 31
- The average income of the country is
(a) Personal Income (b) Per capita income (c) Inflation Rate (d) Disposal Income
- The value of national income adjusted for inflation is called
(a) Inflation Rate (b) Disposal Income (c) GNP (d) Real national income
- PQLI is the indicator of
(a) Economic growth (b) Economic welfare
(c) Economic progress (d) Economic development
- According to Keynes, which type of unemployment prevails in capitalist economy ?
(a) Full employment (b) Voluntary unemployment
(c) Involuntary unemployment (d) Under employment
- The main contention of the Classical Economic Theory is
(a) Under employment (b) Economy is always in the state of equilibrium
(c) Demand creates its supply (d) Imperfect competition
- theory is a turning point in the development of modern economic theory.
(a) Keynes' (b) Say's (c) Classical (d) Employment
- The component of aggregate demand is
(a) Personal demand (b) Government expenditure (c) Only export (d) Only import
- Keynes theory emphasized on equilibrium.
(a) Very short run (b) Short run (c) Very long run (d) Long run

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20. In Keynes theory of employment and income, is the basic cause of economic depression.
- (a) Less production (b) More demand
(c) Inelastic supply (d) Less aggregate demand in relation to productive capacity.

II ANSWER THE FOLLOWING (ANY 7) Q.No.30 is compulsory

7 X2 = 14

21. Define the term 'Inflation'.
 22. What do you mean by Capitalism?
 23. Define Macro Economics.
 24. 'Circular Flow of Income' – Define.
 25. Trace the relationship between GNP and NNP.
 26. Write the formula for calculating GNP.
 27. Why is self-consumption difficult in measuring national income?
 28. What are the components of aggregate supply?
 29. Define full employment.
 30. Give reasons for labour retrenchment at present situation.

III ANSWER THE FOLLOWING (ANY 7) Q.No.40 is compulsory

7 X3 = 21

31. State the importance of Macro Economics.
 32. Indicate the demerits of socialism
 33. Briefly explain the two sector circular flow model.
 34. Differentiate personal and disposable income.
 35. Give a short note on Expenditure method.
 36. List out the uses of National Income.
 37. Write short note on the implications of Say's Law.
 38. Explain Keynes' theory in the form of flow chart.
 39. Explain about aggregate supply with the help of diagram.
 40. Write any differences between classicism and Keynesianism.

IV ANSWER THE FOLLOWING

7 X5 = 35

41. a) Discuss the scope of Macro Economics (OR)
 b) Explain the importance of national income
 42. a). Explain the differences between classical theory and keynes' theory. (OR)
 b) Discuss the various methods of estimating the national income of a country.
 43. a) Briefly explain the three sector circular flow model. (OR)
 b) Describe the types of unemployment.
 44. a) Illustrate the functioning of an economy based on its activities. (OR)
 b) Critically explain Say's law of market.
 45.a) What are the difficulties involved in the measurement of national income? (OR)
 b) Give an account of the five types of final goods and services included in GNP
 46. a) Narrate the equilibrium between ADF and ASF with diagram (OR)
 b) Discuss the importance of social accounting in economic analysis.
 47. a) Explain the concept of effective demand. (OR)
 b) Compare the features of Capitalism, Secularism and Mixedism