



Padalsalai's Telegram Groups!

(தலைப்பிற்கு கீழே உள்ள லிங்கை கிளிக் செய்து குழுவில் இணையவும்!)

- **Padalsalai's NEWS - Group**
https://t.me/joinchat/NIfCqVRBNj9hhV4wu6_NqA
- **Padalsalai's Channel - Group**
<https://t.me/padasalaichannel>
- **Lesson Plan - Group**
<https://t.me/joinchat/NIfCqVWwo5iL-21gpzrXLw>
- **12th Standard - Group**
https://t.me/Padalsalai_12th
- **11th Standard - Group**
https://t.me/Padalsalai_11th
- **10th Standard - Group**
https://t.me/Padalsalai_10th
- **9th Standard - Group**
https://t.me/Padalsalai_9th
- **6th to 8th Standard - Group**
https://t.me/Padalsalai_6to8
- **1st to 5th Standard - Group**
https://t.me/Padalsalai_1to5
- **TET - Group**
https://t.me/Padalsalai_TET
- **PGTRB - Group**
https://t.me/Padalsalai_PGTRB
- **TNPSC - Group**
https://t.me/Padalsalai_TNPSC

STD: XII**ECONOMICS****Book Inside Definitions****Chapter 1****Introduction to macro economics****1. Define the term 'economy'?**

The term economy has been defined by A.J. Brown as, "A system by which people earn their living".

The term economy in the words of J.R. Hicks

"An economy is a co-operation of producers and workers to make goods and services that satisfy the wants of the consumers"

2. Define socialism?

Socialism is defined as a way of organizing a society in which major industries are owned and controlled by the government.

3. Define 'Inflation'?

Inflation refers to steady increase in general price level.

Chapter – 2**National Income****1. Define National Income?**

"The Labour and Capital of a country acting on its natural resources produce annually a certain net aggregate of commodities, material and immaterial including services of all kinds. This is the true net annual income or revenue of the country or national dividend"

-Alfred Marshall

"The concept of national income is an indispensable preparation for tackling the great issues of unemployment, inflation and growth".

-Samuelson

"The net output of the commodities and services flowing during the year from the country's productive system into the hands of the ultimate consumers or into net addition to the country's stock of capital goods"

-Simon Kuznets

2. Define GDP deflator?

GDP deflator is an index of price changes of goods and services included in GDP.

Chapter – 3**Theories of Employment and Income****1. Define Unemployment?**

"Unemployed people suffer the demoralization, frustration and loss of self respect that come from enforced idleness".

-Wonnacott. P and Wonnacott. R

2. Definition of full employment?

According to Keynes, "full employment is the absence of involuntary unemployment".

Lerner defines full employment as "that level of employment at which any further increase in spending would result in an inflationary spiral of wages and prices"

3. Define classical theory of employment?

According to say, "A person receives his income from production which is spent on the purchase of goods and services produced by others. For the economy as a whole, therefore, total production equals total income".

According to Keynes, "the factors of production such as capital goods, supply of labour, technology and efficiency of labour remain unchanged while determining the level of employment".

Chapter 4

Consumption and Investment Function

1. Definition of 'Accelerator'

The Accelerator co-efficient is the ratio between induced investment and an initial change in consumption.

$$\text{Accelerator } \beta = \Delta I / \Delta C$$

ΔI = Change in Investment, ΔC = Change in Consumption

2. Define Average propensity to Consume?

APC is the ratio of Consumption expenditure to any particular level of income. **APC = C/Y**, C = Consumption, Y = Income

3. Define Marginal Propensity to Consume?

MPC is defined as the ratio of change in Consumption to Change in income.

$$\text{MPC} = \Delta C / \Delta Y, \Delta C = \text{Change in Consumption}, \Delta Y = \text{Change in Income}$$

4. Define Average Propensity to Save?

APS is the ratio of saving to income. **APS = S/Y**, S = Saving, Y = Income

5. Define Marginal Propensity to Save?

MPS is the ratio of change in saving to change in income.

$$\text{MPS} = \Delta S / \Delta Y, \Delta S = \text{Change in Saving}, \Delta Y = \text{Change in Income}$$

6. Define consumption and investment function?

"The theory of multiplier and the theory of accelerator are the two sides of the theory of fluctuations as just as the theory of demand and the theory of supply are the two sides of the theory of value. The full theory must be that which shows both sides in operation.

-J.R.Hicks

7. Define Multiplier.

The multiplier is defined as the ratio of the change in national income to change in investment.

Chapter – 5

Monetary Economics

1. Definitions of money by Walker and Crowther?

Walker : "Money is, what money does"

Crowther : "Money can be anything that is generally acceptable as a means of exchange and at the same time acts as a measure and store of value.

2. Define Disinflation?

Disinflation may be defined as the process of reversing inflation without generating adverse effects.

3. Definition of trade cycle by J.M.Keynes

"A trade cycle is composed of periods of good trade characterized by rising prices and low unemployment percentages altering with periods of bad trade characterized by falling prices and high unemployment percentages".

4. Define inflation?

Inflation is taxation without legislation.

-Milton Friedman

"Too much of money chasing too few goods."

-Coulbourn

"A state of abnormal decrease in the quantity of purchasing power".

-Gregorye

Chapter 6

Banking

1. Define commercial Bank?

Commercial banks are the institutions that make short term loans to business and in the process create money".

-Culbertson

According to Crowther, "The banker's business is to take the debts of other people to offer his own in exchange and there by create money".

2. Define central Bank?

According to Samuleson, " a central bank is a bank of bankers. Its duty is to control the monetary base and through control of high-powered money to control the community's supply of money".

Chapter - 7

INTERNATIONAL ECONOMICS

1. State H-O theorem

"A capital abundant country will export the capital-intensive good, while the labour-abundant country will export the labour-intensive good".

2. Define Forex

"Forex is a system or process of converting one national currency into another and of transferring money from one country to another".

3. Define International trade?

"Economics are linked internationally through trade in goods and through financial markets".

-Dornbusch, Fischer and startz

International trade is a trade among differed countries or trade across political boundaries it is also called as external trade or foreign trade or inter-regional trade.

4. Define terms of trade?

The gains from international trade spend upon the terms of trade which refers to the ratio of export prices to import prices.

Chapter - 8

INTERNATIONAL ECONOMIC ORGANISATION

1. Define international Economic organizations?

"Foreign capital infinitely prefers situations where the upside potential is vast, if risks must be taken to get in".

-Rudi Dornbusch

2. Define common market?

A group formed by countries within a geographical area to promote duty free trade and free movement of labour and capital among its members.

Chapter - 9**FISCAL ECONOMICS****1. Define Public Expenditure**

"The expenditure incurred by public authorities like Central, State and local governments to satisfy the collective social wants of the people is known as public expenditure".

2. Define Fiscal Economics?

"Incomings may be scant; but yet, no failures there, If in expenditure you rightly learn to spare".

-Thirukkural No.478

3. Define public finance?

"Public finance is one of those subjects that lie on the border line between economics and politics. It is concerned with income and expenditure of public authorities and with the adjustment of one to the other".

-Huge Dalton

"Public finance is an investigation into the nature and principles of the state revenue and expenditure".

-Adam Smith

4. Define Public Debt?

"The debt is the form of promises by the treasury to pay to the holders of these promises a principal sum and in most instances interest on the principal. Borrowing is resorted to in order to provide funds for financing a current deficit".

-Philip E.Taylor

5. Define Budget?

"It is a document containing a preliminary approved plan of public revenue and expenditure".

-Reney Stourn

"The budget has come to mean the financial arrangements of a given period, with the usual implication that they have been submitted to the legislature for approval".

-Bastabale

6. Define Fiscal Policy?

"The term fiscal policy refers to a policy under which the Government uses its expenditure and revenue programmes to produce desirable effects and avoid undesirable effects on the national income, production and employment".

-Arthur Smithies

"By fiscal policy is meant the use of public finance or expenditure, taxes, borrowing and financial administration to further our national economic objectives"

-Buehler

Chapter - 10

ENVIRONMENTAL ECONOMICS

1. Define noise pollution

Noise pollution is unwanted or excessive sound that can have deleterious effects on human health and environmental quality.

-Jerry A.Natharnson and Richard E.Berg,2018

2. Define Land pollution

The land pollution is defined as “the degradation of land because of the disposal of waste on the land”.

3. Define ‘Sustainable Development’

“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs”.

4. Define Environmental Economics?

“Environmental problems are really social problems.... They begin with the people as the cause and end with people as victims”.

-Sir Edmund Hillary

5. Define Environment?

“All conditions, circumstances, and influences surrounding and affecting the development of an organism or group of organisms”.

6. Define externalities?

“the cost or benefit imposed by the consumption and production activities of the individuals on the rest of the society not directly involved in these activity and towards which no payment is made”.

7. Define Air pollution?

“Air pollution is the presence of any solid, liquid, or gaseous substance in the atmosphere in such concentration as may be or tend to be injurious to human beings or other living creatures or plants or property or environment”.

-The Air (Prevention and Control) of Pollution) Act, 1981

8. Define water pollution?

“The introduction of substances or energy into the marine environment results in deleterious effects to living resources, hazards to human health, hindrance to marine activities.

-United Nations, 1971

9. Define Global Warming?

Global warming is the current increase in temperature of the Earth's surface as well as its atmosphere.

Chapter - 11

ECONOMICS OF DEVELOPMENT AND PLANNING

1. Define Economic planning?

Economic planning is “collective control or suppressions of private activities of production and exchange”.

-Robbins

“Economic planning in the widest sense in the deliberate direction by persons in charge of large resources of economic activity towards chosen ends”.

-Dalton

2. Define meaning of capital accumulation

The process of addition to the existing stock of capital.

3. Define plan?

A good plan may fail due to faulty implementation. But a faulty plan cannot succeed through good implementation.

“Plan your work for today and every day, then work your plan”.

-Margaret Thatcher

4. Define economic development?

A sustained improvement in health, literacy and standard of living.

Chapter – 12**INTRODUCTION TO STATISTICAL METHOD****1. Define Statistics?**

“Statistics is the grammar of science”.

-Karl Pearson

“Statistics as a science of estimates and probabilities”

-Boddington

“Statistics may be defined as the collection, organization, presentation, analysis and interpretation of numerical data”.

-Croxtton and Cowden

2. Define Average?

“A measure of central tendency is a typical value around which other figures congregate”.

“An average stands for the whole group of which it forms a part yet represents the whole.”

“One of the most widely used set of summary figures is known as measures of location.”

3. Define Standard Deviation?

It is defined as the positive square root of the arithmetic mean of the square of the deviations of the given observation from their arithmetic mean.

4. Define Correlation?

Correlation is a statistical device that helps to analyse the covariation of two or more variables. Sir Francis Galton, is responsible for the calculation of correlation coefficient.

5. Define Regression?

The literal meaning of the word “regression” is “Stepping back towards the average”.

6. Define Econometrics?

Econometrics may be considered as the integration of economics, statistics and Mathematics.



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

M.KARTHIGA,

PG. ASST.(ECONOMICS)

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

VIRUDHUNAGAR

Padasalai