

ECONOMICS

Multiple Questions

Unit – I

1. Which of the following is the shape of Average Fixed Cost Curve?
(a) Linear (c) Rectangular Hyperbola
(b) Quadratic (d) Elliptical
2. Samuelson's Revealed Preference Theory is based on –
(a) Weak Ordering Axiom
(b) Strong Ordering Axiom
(c) Cardinal Approach
(d) Introspective Method
3. In which of the following markets price is essentially indeterminate?
(a) Perfect Competition
(b) Monopoly
(c) Monopolistic Competition
(d) Oligopoly
4. If Supply creates its own demand, what would be the value of MPC?
(a) More than Unity
(b) Less than Unity
(c) Unity
(d) Zero
5. Crowding Out effect results in –
(a) Increase in private investment
(b) Fall in private investment
(c) No change in private investment
(d) Increase in the rate of interest

Unit – II

6. Phillips Curve explains a functional relationship between –
(a) Rate of interest and rate of unemployment
(b) Rate of wage increase and rate of unemployment
(c) Rate of wage increase and rate of inflation
(d) Rate of inflation and rate of growth
7. Which one is the Fisher's effect?
(a) $MV = PT$
(b) Income = Expenditure
(c) The equi – proportional relation between inflation rate and nominal rate of interest.
(d) The relation between price rise and inflation rate.

8. Which one is an instrument of expansionary Monetary Policy?
 - (a) Increase in CRR
 - (b) Increase in SLR
 - (c) Increase in Repo rate
 - (d) Decrease in PLR
9. Who has given the Opportunity Cost Version of the Theory of Comparative Cost Advantage?
 - (a) David Ricardo
 - (b) J. M. Keynes
 - (c) Gottfried Haberler
 - (d) Joan Robinson
10. Which one is a method of correcting deficit in Balance of Payments?
 - (a) Devaluation
 - (b) Increase in the rate of interest
 - (c) Increase in Wage rate
 - (d) Increase in Quota

Unit – III

11. According to Peacock – Wiseman Hypothesis which one of the following is the correct pattern of the growth of Public Expenditure?
 - (a) Harmonious
 - (b) Step – like
 - (c) Steady
 - (d) Linear
12. Who coined the concept of Merit good?
 - (a) Adolph Wagner
 - (b) R. A. Musgrave
 - (c) P. A. Samuelson
 - (d) J. Buchanan
13. Who deployed the Theory of Vicious Circle of Poverty?
 - (a) Ragnar Frisch
 - (b) Ragnar Nurkse
 - (c) Ronald Coase
 - (d) Gunnar Myrdal
14. Mahalanobis model is –
 - (a) A Wage – goods model
 - (b) A Heavy industry model
 - (c) A Labour – intensive model
 - (d) An Export – oriented model
15. Which one of the following is an environmental good?
 - (a) Plastics
 - (b) Thermal Electricity
 - (c) Open Sewerage System
 - (d) Renewable Energy

Unit – IV

16. In GDP of India which sector has the highest share?
 - (a) Agriculture
 - (b) Manufacturing
 - (c) Exports
 - (d) Service
17. The New Economic Policy was implemented in the year –
 - (a) 1990
 - (b) 1991
 - (c) 1992
 - (d) 1993
18. In which of the following crops the Green Revolution was initiated?
 - (a) Paddy
 - (b) Wheat
 - (c) Jawar
 - (d) Maize
19. The first Industrial Policy Resolution of the Government of India was announced in the year –
 - (a) 1947
 - (b) 1948
 - (c) 1949
 - (d) 1950
20. Which is a non – conventional item of exports of India?
 - (a) Tea
 - (b) Jute
 - (c) Marine Products
 - (d) Textiles

Unit – V

21. Fourteen major Commercial Banks of India were nationalized in the year –
 - (a) 1948
 - (b) 1956
 - (c) 1969
 - (d) 1980
22. SEBI controls –
 - (a) Money market of India
 - (b) Import market of India
 - (c) Capital market of India
 - (d) Export market of India
23. The first National Health Policy was announced in the year –
 - (a) 1983
 - (b) 1991
 - (c) 2002
 - (d) 2011

24. The Urban Housing Scheme is covered under –
 (a) MGNREGA
 (b) JnNURM
 (c) IAY
 (d) None of the above
25. Millennium development Goals were set under the auspices of –
 (a) IMF
 (b) WTO
 (c) ADB
 (d) UN

ANSWER KEYS

UNIT – I	1. (c)	2. (b)	3. (d)	4. (c)	5. (b)
UNIT – II	6. (b)	7. (c)	8. (d)	9. (c)	10. (a)
UNIT – III	11.(b)	12. (b)	13. (b)	14. (b)	15. (d)
UNIT – IV	16.(d)	17. (b)	18. (b)	19. (b)	20. (c)
UNIT – V	21.(c)	22. (c)	23. (a)	24. (b)	25. (d)