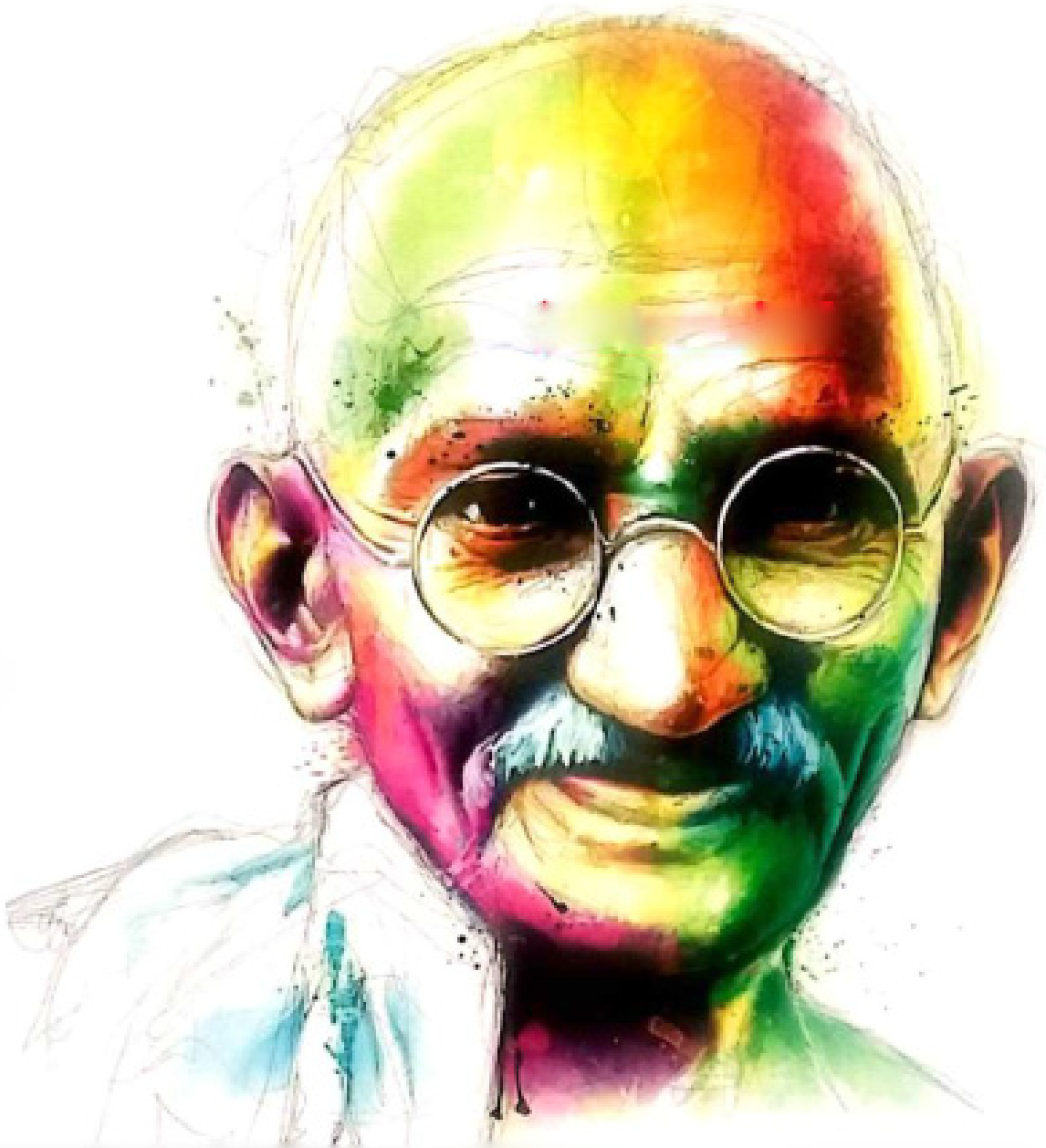


JAYARANI MATRIC. HR. SEC. SCHOOL

SALEM - 636 002

**+2 REDUCED
PART A WITH EXERCISE**



M.Shanmugam.,M.Sc., M.A., B.Ed., M.Phil., PGDCA.,
(Certificate in Journalism)

Jayarani Matric. Hr. Sec. School,
Nethimedu, Salem-636 002.

Cell:88254-30366

email:kalviulagam23@gmail.com

Web: www.kalviulagam.com



All ideas and information contained with in these materials are the property of Kalvi Ulagam. Few of the details are collected from web freeware. We are providing some materials , no one have rights to use the materials attached in the sample questions. This materials are used in Educational purpose only. This materials are free, not for sale.





kalviulagam





1. INTRODUCTION TO MACRO-ECONOMICS

Part – A Objective

1. **Branches** of the subject Economics – **Micro and Macro**
2. Who **coined** the word **Macro?** – **Ragnar Frisch**
3. **Father of Modern Macro – Economics** – J.M.Keynes
4. **Other name** for macro-economic – Income Theory
5. **Macro-Economics is study of** – aggregates
6. **Contribution of J.M.Keynes to Economics**– General Theory
7. **A steady increase in general price level** – inflation
8. **Necessity** of Economic Policies – All the above
9. Fundamental **Economic activity** – Production and consumption
10. **An Economy** consists of -All the above
11. Only **private ownership** of production – capitalistic economy
12. Economic system representing **equality in distribution** – Socialism
13. **Father of capitalism** – Adam Smith
14. **Country following capitalism** – America
15. **Father of socialism** – Karl Marx
16. Both by **Public and Private** together – Mixed Economy
17. **Quantity of Commodity accumulated** at a point of time-stock
18. **Flow variable** – income
19. **Two sector** model – Households and firms
20. **Circular flow** model for open economy – four sector model.

2. NATIONAL INCOME

1. Net National Product at factor cost – **National Income**
2. Primary sector – **Agriculture**
3. National Income measures – **3 methods**
4. Income method is summing up of all forms of – **Income**
5. The largest figure – **GNP**
6. Expenditure method – **Construction sector**
7. Tertiary Sector – **Service**
8. National Income – **Economic performance**
9. Per capital income by dividing the National income by- **Population of a country**
10. $GNP = \underline{GDP} + \text{Net factor income from abroad}$
11. NNP stands for – **Net National Product**
12. Depreciation – **is deducted from gross value to get the net value**
13. Financial Year – **1st April to 31st March**
14. Net factor income from abroad is deducted from NNP, the net value is – **Net Domestic Product**





15. Value of NNP at Production point – **NNP at factor cost**
16. Average income of the country – **per capital income**
17. Value of National Income adjusted for inflation – **Real National Income**
18. Flow concept – **Monthly Income**
19. PQLI – **Economic welfare**
20. Largest proportion of national income comes from – **Private Sector**

3. THEORIES OF EMPLOYMENT AND INCOME

1. Every able bodied person – **Full employment**
2. Structural unemployment – **Dynamic society**
3. In disguised unemployment – Marginal productivity of labour is – **Zero**
4. Classical Economic Theory – **Economy is always in the state of Equilibrium**
5. JB say – **Classical Economist**
6. According to Keynes type of unemployment prevails – **under employment**
7. Core of classical theory of employment – **law of markets**
8. Keynes attributes unemployment – lack of effective demand
9. Interest - brings flexibility equality between saving and investment
10. Keynes - theory turning point in the development of Modern Economic theory
11. Basic concept of Keynes theory – effective demand
12. Component of aggregate demand – Government Expenditure
13. Aggregate supply is equal to $-C+S+T+R_f$
14. Keynes theory pursues to replace laissez faire – state intervention in certain situation
15. Basic cause of Economic depression – Less aggregate demand in relation to productive capacity.
16. Classical theory advocates – Balanced budget
17. Keynes theory emphasised on – Short run
18. Rate of interest is reward for – Saving
19. Demand for and supply of money is determined by - Rate of interest.
20. Say's law stressed – Automatic price mechanism.

4 Consumption and investment function

1. Average propensity to consume – C/Y
2. An increase in the marginal propensity to consume - lead to consumption function becoming steeper.
3. If the Keynesian consumption function $C=10+0.8Y$ If total income is Rs.1000 total consumption - Rs.810
4. if disposable income is Rs.100 MPC - Rs. 0.8
5. if disposable income is Rs.100 APC - Rs. 0.9





6. As National Income increased – APC falls and gets nearer value to the MPC
7. As increase in consumption – Higher aggregate demand
8. Lower interest rates are likely – increasing borrowing and spending
9. MPC is equal to change in consumption / change in Income
10. Relationship between total income and total consumption – Consumption function.
11. The sum of MPC and MPS is = 1
12. As income increase, consumption will increase
13. When investment is assumed autonomous the slope of the AD is - Marginal propensity to consume.
14. The multiplier is calculated a) $1/1-MPC$ b) $1/MPS$ a and b
15. Multiplier tells - output, aggregate demand
16. If the MPC is 0.5 the multiplier is 2
17. In an open Economy import – reduces
18. According to Keynes investment is the function on MEC and rate of Interest
19. Super Multiplier–J R Hicks
20. MEC– J.M. Keynes.

5. Monetary Economics

1. RBI – Headquarters – Mumbai
2. Money is – the most liquid of all assets
3. Paper currency is managed by –Central Monetary authority
4. Basic distinction between M1 and M2 – time deposits of banks
5. Irving fisher's quantity theory money – 1911
6. MV Stands for – supply of legal tender money
7. Inflation means – Prices are rising
8. Hyperinflation – Serious depreciation of the value of Money
9. Cost – push inflation – due to increase in production costs
10. During inflation – Debtors are the gainers
11. Disinflation – decrease in the rate of inflation
12. Stagflation combines – the rate of inflation with – stagnation
13. The study of alternative fluctuation in business activity – Trade cycle
14. During depression, the level of Economic activity is – Low
15. Money can be anythingCrowther
16. Debit card is an example of – Plastic Money
17. Fisher's quantity theory of money – Medium of Exchange
18. V in $MV = PT$ equation – velocity of circulation of Money
19. When prices rise slowly we call it – Mild inflation
20. Creeping inflation is in no way dangerous to the Economy





6. Banking

1. A Bank – Financial Institution
2. Commercial Bank – Both A and B
3. Functions of Commercial Bank – a, b and c
4. Bank credit refer to - Bank loans and advances
5. Credit creation – Multiplication of Loans and advances
6. NBFI – Banking License
7. Central Bank – Monetary authority
8. R B I – Banker to the Government of Bank
9. Lender of the last resort – Central Bank
10. Bank rate means – Re-discounting the first-class securities
11. Repo rate means – Rate at which RBI lends to Commercial Bank
12. Moral suasion – persuasion
13. ARDC – July 1, 1963
14. NABARD was setup in - July 1982
15. EXIM Bank was established in - March 1982
16. State financial corporation act was passed by - Government of India
17. Monetary Policy – Central Bank
18. On-line Banking – Internet Banking
19. ATM – Automated Teller Machine
20. 2016 Demonetisation of currency – Rs 500 and Rs.1000

7. International Economics

1. Trade between two countries – External Trade
2. Factors influence Trade – All the above
3. International trade differs from domestic trade – All the above
4. Why nations conduct international trade – resources are not equally distributed among all trading nations
5. Modern theory of International trade – factor endowment theory
6. Exchange rate are determined – Foreign Exchange market
7. Exchange rate for currencies – flexible exchange rate
8. Net export equals =export –import
9. Concept of single factorial terms of trade – Jacob Viner
10. Terms of trade of country – Ratio of prices of exports and imports
11. Favourable trade means value of exports are - more
12. Imbalance in the trade of balance – stimulating exports
13. BOP includes – both visible and invisible items
14. Components of balance of payment of a country – All the above
15. Tourism and travel – service account
16. Cyclical disequilibrium – Both a and b





17. BOT – Transactions of goods are recorded
18. Not an example of foreign direct investment – the purchase of bonds or stock issued by a textile company overseas
19. Foreign direct investment not permitted – Atomic energy
20. Benefits FDI include – All of those.

8. International Economic organisations

1. International monetary fund- Bretton woods conference
2. International monetary fund headquarters – Washington D.C.
3. IBRD – World Bank
4. Other name for special drawing rights – paper gold
5. Long term loan – world Bank
6. Not a member of SAARC – Japan
7. International Development Association – World Bank
8. Patents, copyrights, trade secrets – TRIPS
9. First ministerial meeting of WTO – Singapore
10. ASEAN once in – 3 years
11. Not the member of SAARC – China
12. SAARC meet once in – 2 years
13. Headquarters of ASEAN – Jakarta
14. Term BRIC was coined in - 2001
15. ASEAN – 1967
16. Tenth BRICS summit July 2018 at Johannesburg
17. New development Bank – BRICS
18. Not come under six dialogue partners of ASEAN – North Korea
19. SAARC agricultural information centre – 1988
20. BENELUX – Custom Union

9. FISCAL ECONOMICS

1. Modern state – Welfare state
2. Not a feature of private finance – publicity
3. Tax possesses – all the above
4. Canons of taxation not listed by Adam Smith – Canon of simplicity
5. Consider the following statement
 - 1) Central government 2) the constitutions..... ii only.
6. GST – Sales Tax
7. Direct Tax merit except – Convenient
8. Direct Tax -Income Tax
9. Not a tax under union list – Agricultural Income Tax





10. Revenue receipts do not include – Rent from Property
11. Difference between Revenue expenditure and revenue receipts – Revenue deficit
12. Difference between Total expenditure and total receipts – Fiscal deficit
13. Deficit financing – Economic development
14. Deficit budget means – an excess of government total expenditure over its current revenue
15. Methods of repayment of public debt – All the above
16. Conversion of public debts – low interest bonds for higher interest bonds
17. word budget from French word bougette means – small bag
18. not consider borrowing as a receipt – fiscal deficit
19. finance commission determines – The resources transfer to the states
20. Consider the following statement right-
 - 1) finance commission
 - 2) Tenure of finance commissions Both

10. Environmental Economics

1. Term environment – environia
2. Biotic – living
3. Ecosystem is smallest unit of – Biosphere
4. Material balance models – Joseph Stiglitz and Edward Chamberlin
5. Environmental goods – non- market goods
6. In Pure public good, consumption – Rival
7. Most important market failure – Negative externalities
8. Source of outdoor air pollution – Traditional stoves
9. Carbon monoxide – Automobiles
10. Causes of Global warming – increasing temperature
11. Protecting human from harmful ultra violet rays – Ozone layer
12. Global warming – None of the above
13. Anticipated effect of Global warming – changing precipitation
14. Process of nutrient enrichment – limiting nutrient
15. Soil pollution – Chemical fertilizers
16. Deforestation – Timber harvesting industry
17. Electronic waste –e-waste
18. Acid rain – Water pollution
19. Sustainable development goals – 2030
20. Alkali soils – All the above





11. Economics of Development and planning

1. Redistribution with growth – New welfare oriented approach
2. Not the feature of economic growth – Wider concept
3. Characteristic of under development – Vicious circle of poverty
4. Non – economic determinant – Human Resource
5. Economic growth – increase in output
6. Supply side of vicious circle of poverty – a and b
7. Agriculture and rural economy – Gandhian plan
8. Correct chronological order – b
9. M.N. Roy – People's plan
10. Country adopts indicative planning – Germany
11. Short term plan is also known as – controlling plans
12. Long term plan – Perspective plan
13. Basic philosophy behind long term planning – Industrial
14. Sarvodaya plan- J P Narayanan
15. Planning commission – 1950
16. The road to serfdom – Friedrich Hayek
17. Perspective plan – long term plan
18. NITI Aayog by – Cabinet Resolution
19. NITI means – National Institution for Transforming India
20. Chair person of NITI Aayog– Prime Minister

12. Introduction to Statistical methods and Econometrics

1. Statistics – singular and plural
2. Statistics as a science of estimates and probabilities - Boddington
3. Data collected by Questionnaire – Primary data
4. Linear relationship – correlation co-efficient
5. If both variables X and Y increase or decrease simultaneous – Positive
6. Source of secondary data – Both A and B
7. Scatter diagram – Negative
8. Value of the co-efficient of correlation r lies = -1 and +1
9. Regression – Galton
10. Simple linear regression – predict one variable from another variable
11. A process by which Regression
12. If $Y = 2 - 0.2X$ then value of Y = 2
13. In regression equationY is called - dependent variable
14. In regression equationX is called- independent variable
15. Term Uiiin regression – Stochastic error term
16. If term uiis is introduced for - omitted variables
17. Econometrics –Ragnar Frisch





18. Econometrics is the integration of – Economics, Mathematics and statistics.

19. Econometrics is the amalgamation of - 3 subjects

20. Raw material for Econometrics – Data.

kalviulagam



**Plus Two****Slow Boomers for Part A only
Exercise****1. INTRODUCTION TO MACRO-ECONOMICS** www.kalviulagam.com

1. Branches of the subject Economics _____
2. Who coined the word Macro? _____
3. Father of Modern Macro Economics _____
4. Other name for macro-economics _____
5. Macro-Economics is study of _____
6. Contribution of J.M.Keynes to Economics _____
7. ***A steady increase in general price level*** _____ (***Reduced***)
8. Necessity of Economic Policies _____
9. Fundamental Economic activity _____
10. An Economy consists of _____
11. Only private ownership of production _____
12. Economic system representing equality in distribution _____
13. Father of capitalism _____
14. Country following capitalism _____
15. Father of socialism _____
16. Both by Public and Private together _____
17. ***Quantity of Commodity accumulated*** _____ (***Reduced***)
18. Flow variable _____
19. Two sector model _____
20. Circular flow model for open economy _____

2. NATIONAL INCOME

1. ***Net National Product at factor cost*** _____ (***Reduced***)
2. Primary sector _____
3. National Income measures _____
4. Income method is summing up of all forms of _____





5. The largest figure _____
6. Expenditure method _____
7. Tertiary Sector _____
8. National Income _____
9. Per capital income by dividing the National income by _____
10. GNP = _____
11. **NNP stands for** _____ (*Reduced*)
12. Depreciation _____
13. Financial Year _____
14. Net factor income from abroad is deducted from NNP, the net value is _____
15. **Value of NNP at Production point** _____ (*Reduced*)
16. Average income of the country _____
17. **Value of National Income adjusted for inflation** _____ (*Reduced*)
18. Flow concept _____
19. **PQLI** _____ (*Reduced*)
20. Largest proportion of national income comes from _____

3. THEORIES OF EMPLOYMENT AND INCOME

1. Every able bodied person _____
2. Structural unemployment _____
3. In disguised unemployment – Marginal productivity of labour is _____
4. **Classical Economic Theory** (*Reduced*)
5. JB say _____
6. According to Keynes type of unemployment prevails _____
7. Core of classical theory of employment _____
8. Keynes attributes unemployment _____
9. Interest _____
10. Keynes _____
11. Basic concept of Keynes theory _____
12. Component of aggregate demand _____
13. Aggregate supply is equal to _____





14. Keynes theory pursues to replace laissez faire _____
15. Basic cause of Economic depression. _____
16. Classical theory advocates _____
17. Keynes theory emphasised on _____
18. Rate of interest is reward for _____
19. Demand for and supply of money is determined by _____
20. Say's law stressed _____

4 CONSUMPTION AND INVESTMENT FUNCTION

1. Average propensity to consume _____
2. An increase in the marginal propensity to consume _____
3. If the Keynesian consumption function $C=10+0.8Y$ If total income is Rs.1000 total consumption ____
4. if disposable income is Rs.100 MPC _____
5. if disposable income is Rs.100 APC _____
6. As National Income increased _____
7. As increase in consumption . _____
8. Lower interest rates are likely _____
9. MPC is equal to _____
10. Relationship between total income and total consumption. _____
11. The sum of MPC and MPS is _____
12. As income increase, consumption _____
13. When investment is assumed autonomous the slope of the AD is _____
14. The multiplier is calculated _____
15. Multiplier tells _____
16. If the MPC is 0.5 the multiplier is _
17. In an open Economy import _____
18. According to Keynes investment is the function on _____
19. Super Multiplier _____
20. MEC _____



**5. Monetary Economics**

1. RBI – Headquarters _____
2. Money is _____
3. **Paper currency is managed by __ (Reduced)**
4. Basic distinction between M1 and M2 _____
5. Irving fisher's quantity theory money ____
6. MV Stands for ____
7. Inflation means _____
8. Hyperinflation _____
9. Cost – push inflation _____
10. During inflation _____
11. Disinflation ____
12. Stagflation combines – the rate of inflation with _____
13. The study of alternative fluctuation in business activity __ **(Reduced)**
14. During depression, the level of Economic activity is _____
15. Money can be anything _____
16. **Debit card is an example of _____ (Reduced)**
17. Fisher's quantity theory of money _____
18. V in $MV = PT$ equation _____
19. When prices rise slowly we call it _____
20. Creeping inflation is in no way _____

6. BANKING**www.kalviulagam.com**

1. A Bank _____
2. Commercial Bank _____
3. Functions of Commercial Bank _____
4. Bank credit refer to _____
5. **Credit creation _ (Reduced)**
6. **NBFI __ (Reduced)**
7. Central Bank _____
8. R B I _____





9. Lender of the last resort _____
10. Bank rate means _____
11. **Repo rate means** __(*Reduced*)
12. Moral suasion _____
13. **ARDC** __(*Reduced*)
14. NABARD was setup in _____
15. EXIM Bank was established in _____
16. State financial corporation act was passed by _____
17. Monetary Policy _____
18. On-line Banking _____
19. ATM _____
20. 2016 Demonetisation of currency _____

7. INTERNATIONAL ECONOMICS

1. Trade between two countries _____
2. Factors influence Trade _____
3. International trade differs from domestic trade _____
4. Why nations conduct international trade _____
5. Modern theory of International trade _____
6. Exchange rate are determined _____
7. Exchange rate for currencies _____
8. Net export equals =export _____
9. Concept of single factorial terms of trade _____
10. Terms of trade of country _____
11. Favourable trade means value of exports are _____
12. Imbalance in the trade of balance _____
13. BOP includes _____
14. Components of balance of payment of a country _____
15. Tourism and travel _____
16. Cyclical disequilibrium _____
17. BOT _____





18. Not an example of foreign direct investment _____
19. Foreign direct investment not permitted _____
20. Benefits FDI include – All of those. _____

8. INTERNATIONAL ECONOMIC ORGANISATIONS

1. International monetary fund _____
2. International monetary fund headquarters _____
3. IBRD _____
4. Other name for special drawing rights _____
5. Long term loan provided _____
6. Not a member of SAARC _____
7. International Development Association _____
8. Patents, copyrights, trade secrets _____
9. *First ministerial meeting of WTO* *_(Reduced)*
10. ASEAN once in _____
11. Not the member of SAARC _____
12. SAARC meet once in _____
13. Headquarters of ASEAN _____
14. Term BRIC was coined in _____
15. ASEAN _____
16. Tenth BRICS summit July 2018 at _____
17. New development Bank _____
18. Not come under six dialogue partners of ASEAN _____
19. SAARC agricultural information centre _____
20. BENELUX _____

9. FISCAL ECONOMICS

1. Modern state _____
2. Not a feature of private finance _____
3. Tax possesses _____
4. Canons of taxation not listed by Adam Smith _____





5. Consider the following statement _____
6. 1) Central government 2) the constitutions..... _____
7. GST _____
8. Direct Tax merit except _____
9. Direct Tax _____
10. Not a tax under union list _____
- 11. Revenue receipts do not include _(Reduced)**
- 12. Difference between Revenue expenditure and revenue receipts _(Reduced)**
13. Difference between Total expenditure and total receipts _____
14. Deficit financing _____
15. Deficit budget means _____
16. Methods of repayment of public debt _____
17. Conversion of public debts _____
18. word budget from French word bougette means _____
19. not consider borrowing as a receipt _____
20. finance commission determines _____
21. Consider the following statement right-
 - 1) finance commission
 - 2) Tenure of finance commissions _____

10. ENVIRONMENTAL ECONOMICS

1. Term environment _____
2. Biotic _____
3. Ecosystem is smallest unit of _____
- 4. Material balance models _(Reduced)**
- 5. Environmental goods ___(Reduced)**
6. In Pure public good, consumption _____
7. Most important market failure _____
8. Source of outdoor air pollution _____
9. Carbon monoxide _____
10. Causes of Global warming _____





11. Protecting human from harmful ultra violet rays _____
12. Global warming _____
13. Anticipated effect of Global warming _____
14. Process of nutrient enrichment _____
15. Soil pollution _____
16. Deforestation _____
17. Electronic waste _____
18. Acid rain _____
19. Sustainable development goals _____
20. Alkali soils _____

11. ECONOMICS OF DEVELOPMENT AND PLANNING

1. Redistribution with growth _____
2. *Not the feature of economic growth* ____ (*Reduced*)
3. Characteristic of under development _____
4. Non – economic determinant _____
5. Economic growth _____
6. Supply side of vicious circle of poverty _____
7. Agriculture and rural economy _____
8. Correct chronological order _____
9. M.N. Roy _____
10. Country adopts indicative planning _____
11. Short term plan is also known as _____
12. Long term plan _____
13. Basic philosophy behind long term planning _____
14. Sarvodaya plan- _____
15. Planning commission _____
16. The road to serfdom _____
17. Perspective plan _____
18. NITI Aayog by _____
19. NITI means _____
20. Chair person of NITI Aayog _____





12. INTRODUCTION TO STATISTICAL METHODS AND ECONOMETRICS

1. Statistics _____
2. Statistics as a science of estimates and probabilities - _____
3. Data collected by Questionnaire _____
4. **Linear relationship_ (Reduced)**
5. **If both variables X and Y increase or decrease simultaneous__ (Reduced)**
6. **Source of secondary data_ (Reduced)**
7. **Scatter diagram _ (Reduced)**
8. **Value of the co-efficient of correlation r lies (Reduced)**
9. **Regression _ (Reduced)**
10. **Simple linear regression _ (Reduced)**
11. **A process by which _ (Reduced)**
12. **If $Y = 2 - 0.2X$ then value of _ (Reduced)**
13. **In regression equationY is called (Reduced)**
14. **In regression equationX is called- (Reduced)**
15. Term Uiiin regression _____
16. If term uiis is introduced for - _____
17. Econometrics _____
18. Econometrics is the integration of _____
19. Econometrics is the amalgamation of - _____
20. Raw material for Econometrics _____

