

## Examrace

# Competitive Exams: Economics MCQs (Practice\_Test 34 of 122)

Get unlimited access to the best preparation resource for GATE : [fully solved questions with step-by-step explanation](#)- practice your way to success.

1. Which of the following conditions can be inferred from the given figure?
  - a. The return to capital increases and prompts further investment since capitalist has average marginal propensity to same.
  - b. The return to capital increases and prompts further investment since capitalist has a higher than a average marginal propensity to save.
  - c. Typical capitalist behaviour increases capital's share of the GNP and leads to further savings and investment.
  - d. the capitalist hires labour upto a point 'B' where labour's share of the output is OWbB.

Select the correct answer using the codes given below:

Codes:

- a. 1 and 3
  - b. 2 and 3 n B d D h d C A W D output and income
  - c. 1 and 4
  - d. 2 and 4
2. The original interpretation of balanced growth relates to
    - a. large-scale expansion of activities to overcome divergence between private and social benefits.
    - b. all sectors growing at the same rate
    - c. equal amount to investment in all sectors
    - d. absence of shortages or excesses
  3. The vicious circle of poverty can be broke with synchronised application of capital rather than investment in any single line production taken by itself. In this statement 'single line of production' implies
    - a. investment in the production of particular type of commodity

- b. specialising in a particular process production investment in a particular region of the economy
  - c. investment in a particular region of the economy
  - d. lack of variety in the same product
4. Which of the following statement are associated which Marxian analysis of economic growth?
- a. History is by no means merely an aggregate chance event. It follows certain discoverable laws which produce every changing and ever new forms of social organization.
  - b. Early colonial expansion played a major role in the establishment of capitalism.
  - c. Nature arranges matters so that the just legal system which she prescribes is also the best means of promoting development.

Select the correct answer using the codes given below:

Codes:

- a. 1 and 2
  - b. 1 and 3
  - c. 2 and 3
  - d. 1, 2 and 3
5. Six ratio of the population of India, as per the 1961, 1971, 1981 and 1991 census is respectively.
- a. 941, 930, 934, 929
  - b. 941, 930, 929, 934
  - c. 930, 941, 929, 934
  - d. 930, 941, 934, 929
6. The book 'Economic Consequences of Divided India' was written by
- a. D T Lakdwala
  - b. C N Vakil
  - c. Dadabhai Naoroji
  - d. Vallabhbhai Patel
7. Which of the following statements relating to poverty in India are correct?

- a. The concept of poverty line is helpful in assessing the extent of absolute poverty in the country.
- b. Poverty line helps us to assess relative as well as absolute poverty.
- c. Poverty line should change with changes in the price level.
- d. relative poverty can exist even in the absence of absolute poverty.

Select the correct answer using the codes given below:

Codes:

- a. 1, 3 and 4
  - b. 1 and 4
  - c. 2 and 3
  - d. 2, 3 and 4
8. In the statement, 'the conceptual difficulties in National Income comparisons between underdeveloped and industrialised countries are particularly serious because a part of the national output in various underdeveloped countries is produced without passing through the commercial channels' The author implies that
- a. the entire national output produced and consumed in industrialised countries passes through commercial channels
  - b. no part of national output should be produced and consumed without passing through commercial channels
  - c. a part of the national output being produced and consumed without passing through commercial channels is a sign of un-development.
  - d. the existence of a non-commercialized sector in comparisons over countries difficult
9. In a growing economy which gets increasingly diversified, there is scope for both the public and private sectors to expand simultaneously, but it is inevitable, if development is to proceed at the pace envisaged and to contribute effectively to the attainment of the larger social ends in view, that the public sector must grow not only absolutely but also relatively to the private sector. This statement has been out of which one of the following Five Year Plan documents?
- a. first
  - b. Second
  - c. fifth
  - d. Sixth

o. Match List I with List II and select the correct answer using the codes given below the lists:

List-I	List-II
A. Development Planning	1. J. Bhagwati
B. Poverty in India	2. R K Hazri
C. Immiserising growth	3. Dandekar and Rath
D. The structure of the corporate private sector	4. Sukhamoy
	5. Chakravarty

**A B C D**

a. 4 3 2 1

b. 4 3 1 2

c. 3 1 4 2

d. 3 1 2 4

11. Which of the following would form part of infrastructure development in the context of India's economic development?

a. Rural transport

b. Water supply and sanitation

c. Power generation

Select the correct answer using the codes given below:

Codes:

a. 3 alone

b. 1 and 3

c. 1 and 2

d. 1, 2 and 4

12. Match List I with List II and select the correct answer using the codes given below the lists:

List-I	List-II

A. P N Rosenstein-Rodan	1. The critical minimum effort
B. H Leibenstein	2. The big push theory
C. R Nurkse	3. Take-off into self-sustained growth
D. W W Rostow	4. Vicious circle of poverty

**A B C D**

- a. 2 1 4 3
- b. 3 4 2 1
- c. 3 1 4 2
- d. 2 4 1 3

13. Which one of the following years was NOT covered under the of the five Year Plans of India?

- a. 1968 – 69
- b. 1971 – 72
- c. 1965 – 66
- d. 1981 – 82

14. Match List (Variable) with List II (Measm) and select the correct answer using the codes given below the lists:

List-I	List-II
A. Rapid growth of income	1. Gini coefficient
B. Greater inequality in income distribution	2. Gross State Domestic Product per capita
C. Greater regional impbalance	3. GDP
D. High level of aggregate output and income	4. Average annual rates growth a GDP

**A B C D**

- 
- a. 2 4 1 3
  - b. 4 1 2 3
  - c. 4 1 3 2
  - d. 2 3 1 4

15. In India, with the introduction of economic planning particularly after 1962, the previous trend of stagnancy in agriculture was reversed
- a. as there was a significant rise in the cultivation area and productivity.
  - b. because of PL-480 agreement with the USA
  - c. because of the formation of agricultural co-operatives
  - d. as adequate agricultural finance be came available

Developed by: [Mindsprite Solutions](#)