

1. Which among the following is a correct statement?
 - A) Marshall's Substitution Effect > Slutsky's Substitution Effect > Hick's Substitution Effect
 - B) Marshall's Substitution Effect < Slutsky's Substitution Effect < Hick's Substitution Effect
 - C) Marshall's Substitution Effect > Slutsky's Substitution Effect = Hick's Substitution Effect
 - D) Marshall's Substitution Effect = Slutsky's Substitution Effect = Hick's Substitution Effect

2. A risk loving person's total utility curve of income isto income axis
 - A) Concave
 - B) Parallel
 - C) Convex
 - D) None of the above

3.effect makes the demand curve positively sloped
 - A) Snob
 - B) Bandwagon
 - C) Demonstration
 - D) Veblen

4. The elasticity of demand is high when
 - A) Per cent of income spent on a commodity is relatively low
 - B) Lower is the price of the commodity
 - C) A commodity has more substitutes available
 - D) All the above

5. The theory of monopolistic competitive market is popularized by
 - A) Cournot
 - B) Baumol
 - C) Morris
 - D) Chamberlin

6. Which of the following relations hold good?
 - A) $MR = P (1 - (1/e))$
 - B) $MR = P (1 + (1/e))$
 - C) $P = MR (1 - (1/e))$
 - D) $P = MR (1 + (1/e))$

7. In a Cobb Douglas Production function, elasticity of substitution equals
 - A) Two
 - B) Unity
 - C) Infinity
 - D) Zero

8. Who developed the concept of "Tragedy of the Commons?"
 - A) Garrett Hardin
 - B) Kuznets
 - C) Ronald Harry Coase
 - D) Samuelson

9. Lerner's index of monopoly is
 - A) $(P-AC)/P$
 - B) $(P-MC)/P$
 - C) $(AC-P)/AC$
 - D) $(MC-P)/M$

18. Match List I with List II

List I

- a. Differential Rent
- b. Quasi Rent
- c. Compensation Principle of Welfare
- d. Impossibility Theorem

List II

- 1) Arrow
- 2) Marshall
- 3) Hicks and Kaldor
- 4) Ricardo

	a	b	c	d
A)	4	2	3	1
B)	1	3	2	4
C)	1	2	3	4
D)	3	4	2	1

19. An increase in demand involves

- A) A reduction in price
- B) An increase in price
- C) An actual shift of the entire demand curve to the left
- D) An actual shift of the entire demand curve to the right

20. Kinked demand curve occurs in oligopoly because, the firm feels that

- A) If he raises his price, other firms in the industry will leave their price low
- B) If he lowers his price, other firms in the industry will follow suit
- C) Both A and B
- D) None of the above

21. Marginal Cost is given by

- A) The slope of the Total Fixed Cost Curve
- B) The slope of the Total Variable Cost Curve but not by the slope of the Total Cost Curve
- C) The slope of the Total Cost Curve but not by the slope of the Total Variable Cost curve
- D) Either the slope of the Total Variable Cost Curve or the slope of the Total Cost curve

22. In a two commodity(X and Y) and two individual (A and B) economy, the maximum Social Welfare is reached at

- A) Any point on the Grand Utility Possibility curve
- B) Any point on the Social Welfare function
- C) The point where $MRTS_{xy} = MRS_{xy}$ for A and B
- D) The point of tangency of grand utility possibility frontier with social welfare function

23. The market situation where the monopsonistic buyer of an input faces the monopolistic seller of the input

- A) Bilateral Monopoly
- B) Oligopoly
- C) Duopoly
- D) None of the above

31. Fisher effect describes the full adjustment of
 A) Nominal GDP to a change in the price level
 B) Nominal interest rate to a change in the inflation rate
 C) Nominal exchange rate to change in price level
 D) None of the above
32. J curve represents the phenomenon, where a depreciation of the currency causes
 A) Trade balance to initially remain same
 B) Trade balance to initially worsen
 C) Trade balance to initially improve
 D) None of the above
33. The ratio of the marginal value of the capital stock to the rental cost of capital is termed...
 A) Tobin's marginal Q
 B) Acceleration coefficient
 C) Multiplier
 D) None of the above
34. Walras' Law states that the sum of the excess demand for money, bonds, and current output must equal
 A) Negative
 B) Positive
 C) Zero
 D) None of the above
35. Impossible trinity refers to the dilemma that a country cannot simultaneously have control over a
 A) Fixed exchange rate, monetary policy, and maintain an open capital account
 B) Budget deficit, current account and flexible exchange rate
 C) Fiscal policy, monetary policy and budget policy
 D) None of the above
36. How does expansionary monetary policy affect the rate of interest and level of income?
 A) Lowers both the rate of interest and level of income
 B) Raises the rate of interest but lowers the level of income
 C) Raises the level of income but lowers the rate of interest
 D) Increases the rate of interest and level of income
37. Keynes Effect arises because variation in price level changes
 A) Real quantity of money
 B) Transactions velocity of money
 C) Money wage rate
 D) None of the above
38. Which of the following statements are true?
 1) $GNP \text{ at factor cost} = GDP \text{ at factor cost} + \text{Net factor income from abroad.}$
 2) $GNP \text{ at market prices} = GNP \text{ at factor cost} + \text{Indirect taxes} - \text{Subsidies.}$
 3) $GDP \text{ at market prices} = GDP \text{ at factor cost} + \text{Indirect taxes} - \text{Subsidies.}$
 A) Both 1 and 2
 B) Both 1 and 3
 C) Both 2 and 3
 D) All of 1, 2 and 3

39. Velocity of money circulation means
 A) The average turnover of money in a period, relative to national income
 B) The ratio of money demand to interest rate
 C) The ratio of money demand to supply of high powered money
 D) The ratio of money demand to money supply
40. Which of the following is true of IS curve, when transfer payments are increased?
 A) IS curve will shift to the left B) Slope of the IS curve will increase
 C) IS curve will shift to the right D) IS curve will not be affected
41. Which among the following is not well matched?

Concept	Economists
A) Dual decision hypothesis	R.W.Clower
B) Theory of Capital	BohmBawerk
C) Permanent Income Hypothesis	J.M.Keynes
D) Input Output Model	W. Leontiff
42. Consider the following statements describing the relationship between marginal propensity to consume (MPC) and the value of the multiplier:
 1. higher the MPC, lower the value of the multiplier
 2. higher the MPC, higher is the value of the multiplier
 3. if MPC =1, value of multiplier will be infinity
 Which of the above statements is/are correct?
 A) 2 alone B) 2 and 3 C) 3 alone D) 1 alone
43. If Central Bank wants to 'sterilize' an inflow of foreign exchange, it should
 A) Lower the bank rate
 B) Sell government securities in the open market
 C) Buy government securities in the open market
 D) Lower the CRR
44. The price level and purchasing power of money
 A) are always equal B) are not related in any immediate way
 C) vary directly D) vary inversely
45. When the Central Bank changes the bank rate?
 A) It affects the amount of borrowings by the commercial banks
 B) It affects the amount of borrowings by the public from the banks
 C) It affects the lending rate of the commercial banks
 D) All the above
46. The Reserve Bank of India was established in
 A) 1945 B) 1951 C) 1935 D) 1949

47. Monetarists would say that the primary cause of inflation is
 A) The lack of fiscal responsibility
 B) Too fast a rate of increase in money supply
 C) High interest rates, which increase the cost of borrowings
 D) Unstable investment demand
48. Fisher index uses.....
 A) Arithmetic average
 B) Geometric average
 C) Harmonic average
 D) All the above
49. Square of Standard Deviation is
 A) Correlation
 B) Mean Deviation
 C) Variance
 D) None of the above
50. Geometric Mean of two regression coefficients is
 A) Mean
 B) Dispersion
 C) Variance
 D) Correlation
51. Coefficient of correlation is independent of
 A) Change of scale
 B) Change of origin
 C) Both A and B
 D) None of the above
52. A contract curve
 A) Is a locus of points of intersection of two individual indifference curve
 B) Is locus of all points of tangency of two individual indifference curve in an Edgeworth box
 C) Is a locus of all Pareto inefficient points in an Edgeworth box
 D) None of the above
53. In a normal curve approximately
 A) 94.55 per cent of the items in the distribution fall within the range of mean plus or minus two standard deviation
 B) 99.73 per cent of the items in the distribution fall within the range of mean plus or minus three standard deviation
 C) 91.55 per cent of the items in the distribution fall within the range of mean plus or minus two standard deviation
 D) 94.55 per cent of the items in the distribution fall within the range of mean plus or minus one standard deviation
54. If a pair of dice is thrown, find the probability that the sum is neither 7 nor 11?
 A) $\frac{7}{9}$ B) $\frac{2}{9}$ C) $\frac{1}{3}$ D) $\frac{4}{9}$
55. The feasible region in a graphical representation of a linear programming problem is indicated by the
 A) Objective function
 B) Structural constraints
 C) Non-negativity constraints
 D) Both B and C

66. The distribution for which mean and variance are equal is
 A) Poisson B) Gamma C) Normal D) Binomial
67. Which is the highest populated state in India according to 2011 census?
 A) Madhya Pradesh B) Bihar
 C) Uttar Pradesh D) Kerala
68. Country with the highest Human Development Index rank in 2014
 A) Norway B) Switzerland
 C) U.S. D) Netherlands
69. In 1868, the first attempt to measure National Income was made by
 A) Dadabhai Naoroji B) Findlay Shiraz
 C) Wadia and Joshi D) Dr. V.K.R.V.Rao
70. Green revolution is associated with the objective of achieving self-dependence in the production of
 A) Oilseeds B) Fertilizers
 C) Eggs D) Meat
71. Under, interest rate is increased which helps in controlling inflation in the economy.
 A) dear money policy B) cheap money policy
 C) expansionary monetary policy D) None of the above
72. Bharat Nirman Yojana is aimed at developing
 A) Rural education system B) Rural health system
 C) Rural infrastructure D) None of the above
73. Second Five Year Plan in India is based on
 A) Solow Model B) Harrod Domar Model
 C) Meade Model D) Mahalanobis Model
74. Annual Plans in India were implemented during the period
 A) 1962-65 B) 1965-67 C) 1966-69 D) 1967-70
75. The gilt edged market deals with
 A) Currency notes B) Bullion
 C) Government securities D) Corporate bonds
76. 'The Golden Quadrilateral project' is the road network to be constructed under the supervision of National Highway Authority of India (NHAI)
 A) Mumbai – Pune- Ahmedabad –Jammu
 B) Delhi – Nasik-Hyderabad –Bhubaneswar
 C) Delhi – Mumbai- Chennai – Kolkotta
 D) Srinagar – Goa – Kanyakumari – Patna

77. Child sex ratio in Kerala according to 2011 census
 A) 1084 B) 964 C) 981 D) 830
78. Kerala State Horticulture Mission was formed in
 A) 2000 B) 1995 C) 2005 D) 2006
79. The Securities and Exchange Board of India (SEBI) was set up in
 A) 1985 B) 1986 C) 1987 D) 1988
80. The second stage of the theory of demographic transition is characterized by
 A) High Birth Rate and high Death Rate
 B) High Birth Rate and falling Death Rate
 C) Low Birth Rate and low Death Rate
 D) Falling Birth Rate and falling Death Rate
81. Which among the following state has the smallest per cent of urban population as per Census 2011?
 A) Maharashtra B) Tamil Nadu
 C) Gujarat D) Bihar
82. Yashaswini Rural Healthcare Scheme is being implemented in which among the following state of India?
 A) Andhra Pradesh B) Karnataka
 C) Himachal Pradesh D) Tamil Nadu
83. Economic Survey is published by
 A) Indian Statistical Institute B) Government of India
 C) Ministry of Finance D) Planning Commission
84. Which among the following district in Kerala has the highest literacy rate, as per 2011 census?
 A) Pathanamthitta B) Kottayam
 C) Thiruvananthapuram D) Kollam
85. At current prices, the per capita GSDP in Kerala in 2015-16 , according to Kerala's Economic Review was
 A) Rs.1, 72,268 B) Rs. 1, 63,387
 C) Rs.1, 93,456 D) Rs.1, 45,345
86. Density of population for 2015-16 in Kerala as per Kerala's Economic Review 2016 is
 A) 860 B) 655 C) 768 D) 678
87. Sidney Alexander's contribution is in relation toapproach to Balance of Payments
 A) Monetary B) Absorption
 C) Elasticity D) None of the above

88. Imposing of an import tariff
 A) Increases the domestic production of import competing commodity
 B) Increases the domestic prices of the importable commodity
 C) Decreases the domestic consumption of importable commodity
 D) All of the above
89. Which among the following is not correctly matched?
 A) Law of Comparative Advantage David Ricardo
 B) Factor Proportion and Trade Leontiff
 C) Effect of tariff on factor prices Stopler Samuelson
 D) Effect of tariff on domestic prices G.Myrdal
90. The GATT came into existence in
 A) 1953 B) 1962 C) 1948 D) 1950
91. According to Marshall Lerner condition, devaluation shall improve the trade balance of a country provided the sum of elasticities of demand for a country's exports and its demand for imports is
 A) Between one and two B) Two
 C) Greater than one D) Less than one
92. The Hecksher Ohlin theorem of trade pattern assumes
 A) Perfect Competition in both product and factor market
 B) Perfect Competition in the factor market but not in the product market
 C) Perfect Competition in the product market but not in the factor market
 D) Unemployment in the labour market
93. Prebisch Singer Hypothesis argues that primary product export orientation of Less Developed Countries result in secular.....in terms of trade
 A) Improvement B) Stagnation
 C) Deterioration D) None of the above
94. As a result of imposition of tariff, a nation's offer curve will
 A) Remain unaffected
 B) Shift towards axis measuring exports
 C) Shift towards axis measuring imports
 D) None of the above
95. Nominal interest rate is equal to
 A) Real interest rate plus inflation rate
 B) Real interest multiplied by inflation rate
 C) Real interest rate minus inflation rate
 D) Real interest rate divided by inflation rate
96. Tax on the basis of value of a product is called
 A) Ad valorem rate B) Specific rate
 C) Value added rates D) None of the above

97. The speculative demand for money is very sensitive to
 A) Income B) Interest rate
 C) Employment D) None of these
98. Which among the following is not a quantitative credit control method?
 A) Bank Rate policy B) Repo rate policy
 C) Open market operations D) Moral suasion.
99. Which of following is not a liability of commercial banks?
 A) Time deposits B) Borrowing from Central Bank
 C) Security holding D) Demand and time liabilities of bank
100. The shape of Long Run Philips Curve is
 A) Horizontal straight line B) Vertical straight line
 C) Downward sloping D) Upward sloping
101. The concept of functional finance was developed by
 A) Fisher B) Dalton C) Bastable D) Lerner
102. Tax incidence refers to
 A) How often tax is collected
 B) The person or group who ends up paying a tax
 C) Whether a tax is progressive, proportional or regressive
 D) How tax is collected
103. Concepts of displacement and concentration effect in public expenditure are attributed to
 1) A.C. Pigou and J.K.Mehta
 2) Alan T Peacock and Jack Wiseman
 3) Kenneth Arrow and Paul A. Samuelson
 4) A.R. Prest and I.M.D. Little
- Which of the statements given above is/are correct?
 A) 1 and 2 B) Only 2 C) 1, 2 and 3 D) All of these
104. Tobin tax is a tax on
 A) Imports B) Exports
 C) Sales D) Transactions in foreign exchange
105. When the rate of tax goes up with increase in income it is called?
 A) Proportional tax B) Regressive tax
 C) Progressive tax D) Presumptive tax
106. Unbalanced growth strategy was propounded by
 A) Ragnar Nurkse B) H. Leibenstein
 C) A.O. Hirschman D) Hecksher Ohlin

107. The concept of sustainable development was first given by
 A) Keynes B) Kindleberger
 C) Raul Prebisch D) Brundtland
108. Chairman of the thirteenth Finance Commission
 A) Dr. Vijay Kelkar B) Dr. M. GovindRao
 C) Dr. C. Rangarajan D) Dr. Atul Sharma
109. Arrange the following in the order in which they appeared?
 1. An Enquiry into the Nature and Cause of Wealth of Nations
 2. Principles of Economics
 3. General Theory of Employment, Interest and Money
 4. Price of Inequality
 A) 1,2,3,4 B) 4,3,2,1
 C) 1,4,2,3 D) 2,3,4,1
110. The proposition that autonomous investment depends on resource discovery and technological progress is made by
 A) Harrod B) Schumpeter
 C) Hansen D) Rosenstein Rodan
111. 'Capability to function' argument is made by
 A) Myrdal B) AmartyaSen
 C) Michael P. Todaro D) Marx
112. Water extracted from a stream for irrigation is an example for
 A) Option value B) Use value
 C) Nonuse value D) None of these
113. Identify the direct method of valuation
 A) Market price B) Travel cost
 C) Hedonic property value D) Avoidance expenditure
114. Pollutants for which the environment has some absorptive capacity are called?
 A) Stock pollutants B) Fund pollutants
 C) E – waste D) None of these
115. In which year was Environment Protection Act enacted in India?
 A) 1975 B) 1990
 C) 1986 D) 1980
116. Author of 'Principles of Political Economy and Taxation'
 A) David Ricardo B) J. S. Mill
 C) Alfred Marshall D) Adam Smith

