

M. A ECONOMICS

EC010103-DEVELOPMENT ECONOMICS

1. Economic development includes
 - a) Quantitative indicators
 - b) Qualitative indicators
 - c) Both (a) and (b)
2. Economic growth includes
 - a) Quantitative indicators
 - b) Qualitative indicators
 - c) Both (a) and (b)
3. Growth is a _____ process in the economic sense
 - a) Slow
 - b) Continuous
 - c) Radial
4. The book “Third world” was written by
 - a) J.E Meade
 - b) Alvin Tofler
 - c) J.M Keynes
5. Capability approach is coined with
 - a) Ragnar Nurkse
 - b) Malthus
 - c) Amartya Sen
6. Inverted U shaped hypothesis was put forward by
 - a) Amartya Sen
 - b) Simon Kuznets
 - c) G Myrdal
7. Underdeveloped countries are overdependent on
 - a) Human capital
 - b) Physical capital
 - c) Natural resources
8. Who wrote the book “choice of technique”
 - a) K N Raj
 - b) Boeke
 - c) Amartya Sen
9. Three core values of development was suggested by
 - a) Denis Goulet
 - b) Dueley Seers
 - c) G M Meier

10. Economic development is a process where by the real per capita income of the country increases over a long period of time.who defined
- Irma Adelman
 - C.P Kindle Berger
 - G M Meier
11. Economic development is a _____ phenomenon
- Long term
 - Short term
 - Medium term
12. Which of the following is not the feature of economic development
- Static process
 - Dynamic process
 - Longrun process
13. Economic development means
- Increase in real per capita income
 - Growth of less developed countries
 - Growth of developed contries
14. Which of the following is not the component of HDI
- Income for decent living
 - Social status
 - Life expectancy
15. Who advocated that national income as an index of development
- Simon Kuznets
 - Leibenstein
 - Rastow
16. Who advocated that per capita income as an index of development
- Paul Baren
 - Simon Kuznets
 - Meier
17. Which economist constructed by PQLI
- Amartya Sen
 - Morris
 - Ragnar Nurkse
18. Which of the following is not the component of PQLI
- Life expectancy
 - Infant mortality
 - Income for decent living
19. Human poverty index measures;
- Human development
 - Calorie intake

- c) Educational attainment
20. Human poverty index -1 (HPI-1) is applicable for
- a) Developing countries
 - b) Developed countries
 - c) OECD countries
21. Human poverty index -2 (HPI-2) applicable for
- a) Developing countries
 - b) Developed countries
 - c) OECD countries
22. Gender empowerment measure (Gem) considers the measure of
- a) Human development
 - b) Human deprivation
 - c) Economic and political participation
23. Structural changes refers to improvements in
- a) Technological factors
 - b) Institutional and social factors
 - c) All of the above
24. UNDP has introduced a new poverty index known as
- a) Human poverty index
 - b) Deprivation index
 - c) Multidimensional poverty index
25. The critical minimum effort theory is put forward by
- a) A.H Leibenstein
 - b) Benjamin Higgins
 - c) Richard Nelson
26. Vicious circle of poverty operates on
- a) The supply side
 - b) The demand
 - c) Both demand and supply side
27. Vicious circle of poverty introduced by
- a) A.L Leibenstein
 - b) Richard Nelson
 - c) Ragnar Nurkse
28. Vicious circle of poverty relates to

- a) Income and population
- b) Investment and technology
- c) Productivity and income

29. Vicious circle of poverty means

- a) A circle sharing population growth, crude death rates and reproduction
- b) A circular constellation of forces tending to act and react upon one another in such a way as to keep a poor country in a state of poverty
- c) Circular flow of income and wealth

30. Who is not associated with unbalanced growth?

- a) Hirschman
- b) H.W Singer
- c) Arthur Lewis

31. The concept of unbalanced growth has been popularized by

- a) Hirschman
- b) Leibenstein
- c) Ragnar Nurkse

32. The concept of balanced growth has been advocated by

- a) Leibenstein
- b) Rosenstein Rodan
- c) Kaldor

33. The concept of balanced growth means

- a) Different parts of the economy grow in a harmonious manner
- b) Different fields grow at natural rate
- c) Equal percentage growth in output

34. A certain minimum quantum investment is necessary for economic development is the concept of

- a) Richard Nelson
- b) Ragnar Nurkse
- c) Leibenstein

35. To break the vicious circle on the demand side of capital Ragnar Nurkse

- a) Balanced Growth
- b) Unbalanced growth
- c) Agricultural growth

36. Leibenstein critical minimum effort theory is based on

- a) Dumont's social capillary thesis
- b) Balanced growth theory
- c) Lewis unlimited supplies of labour

37. Poverty is measured in terms of

- a) Calorie
- b) Wealth
- c) Education

38. "The limits to Growth" is a book written by

- a) Simon Kuznets and others
- b) Dennis Meadows and others
- c) Harrod and Dome

39. "More than 100 million women are missing" who published this article

- a) M.P Todaro
- b) Jagdish Bhagwati
- c) Amartya Sen

40. World commission on Environment and Development Published an article

- a) Limits to growth
- b) Our common future
- c) How to save the world

41. Gini coefficient is also known as

- a) Measure of dispersion
- b) Lorenz ratio
- c) Range

42. Components of sustainability are

- a) Social system
- b) Environmental ecological system
- c) All of the above

43. Vicious circle is a concept directly related to the

- a) Employment position
- b) distribution of income
- c) State of poverty

44. Who developed unlimited supply of labour theory?

- a) Arthur Lewis
- b) R Solow
- c) A.M Khan

45. Stages of economic growth leading to take off stage was

- a) Rosenstein Rodan
- b) W.W Rostow
- c) N Kaldor

46. According to Rostow, which is the transition stage?

- a) Take off
- b) Pre-conditions of take off
- c) Traditional society

47. The term "Golden age of full employment" equilibrium has been coined by

- a) G Myrdal
- b) H Leibenstein
- c) J Robinson

48. Solow model of long run growth is a major improvement over that of

- a) Harrod – Domar
- b) J Robinson
- c) Passineth

49. Innovation as the key of development is associated with the name of

- a) G Myrdal
- b) J.H Bocke
- c) J.A Schumpeter

50. The theory of social dualism has been put forward by

- a) N Kaldor
- b) G Myrdal
- c) J.H Bocke

51. The theory of circular and cumulative causation was given by

- a) Gunnar Myrdal
- b) J. A Schumpeter

c) R Nurkse

52. According to Boeke, a dual society is characterised by simultaneous existence of

a) High and low caste

b) Landlords and tenants

c) Imported and indigenous social system

53. The concept of technical dualism has been put forward by

a) B Higgins

b) J.K. Boeke

c) A Lewis

54. In case of perfect equality value of Gini coefficient will be

a) 0

b) 1

c) 0.5

55. In Harrod-Domar model of growth if $G > G^*$ then it will create

a) Inflation

b) Deflation

c) Stagflation

56. Which of the following is not a component of "Human Development Index"?

a) Life expectancy

b) Per capita income

c) Infant mortality rate

57. In J. Robinson's growth model equilibrium condition of golden age depends

Upon

a) Income wage relationship

b) Profit wage relationship

c) Saving income relationship

58. Which one of the following is not related with Schumpeter's innovation theory?

- a) Circular flow
- b) Innovation of new types of goods
- c) Encourage monopolistic forms of market

59. The physical quality of life index (PQLI) is based on

- a) Percentage of literacy, infant mortality and life expectancy
- b) Adequate supply of food, water shelter and health services
- c) Provision for sanitation, education for all welfare measures

60. A backward poor country faces vicious circle in relation to

- a) Percentage of their population engaged in agriculture is generally very high
- b) Technological dualism prevails and The capital – labour ratio is low
- c) All of the above

61. A country can meet its deficiency of capital through

- a) internal savings
- b) foreign capital
- c) All of the above

62. Which of the following factors helps human capital formation

- a) Promotion of education
- b) Promotion of health services
- c) All of the above

63. The balanced growth theory sees the primary cause of underdevelopment is the

- a) Small size of the market
- b) Foreign domination
- c) Low level of technology

64. Prof. Hirschman and other economists like him plead for growth

- a) Industrial
- b) Unbalanced

c) Agricultural

65. Financial dualism refers to

a) The existence of short run and long run financial markets

b) The existence of different interest rates in unorganized money market in (UDCs)

c) The existence of different interest rate on the organized and unorganized money and capital markets in LDCs

66. According to the theory of social dualism goods valued on the basis of

a) Value in exchange

b) Their prestige value

c) Value on use

67. Joan Robinson's growth model deals with

i) Desired growth rate

ii) Possible growth

iii) Natural growth rate

iv) Warranted growth rate

codes:-

a) i and iii

b) ii and iv

c) i and ii

68. A country's rate of growth is determined by

a) The average propensity to save

b) The law of comparative costs

c) The rate of capital formation

69. All underdeveloped countries are

a) Not developing at all

b) Developing but slowly

c) Developing at different rates

70. Bowley's law refers to

- a) constancy of wage share
- b) Technical progress
- c) Elasticity substitution

71. Who among the following has dealt with the economy model of

Under-developing

- a) Harrod
- b) Ricardo
- c) Jorgenson

72. Who among the following is not associated with the balanced growth

Theory

- a) Nurkse
- b) Rodan
- c) P. Streeten

73. Development is impossible without

- a) Incentive to profit
- b) foreign aid
- c) Domestic saving

74. The economist who stressed the role of the entrepreneur in development was

- a) Hirschman
- b) Nurkse
- c) Schumpeter

75. Underdevelopment has been a result of _____ factors

- a) Economic
- b) Social
- c) Economic, social and political

76. UNDP has introduced a new poverty index known as

- a) HDI
- b) Poorest among poor index
- c) Multidimensional poverty index

77. Solow built his model as an alternative to

- a) Kaldor's model of growth
- b) Rani's-jei model of growth
- c) Harrod domar model of growth

78. "Reserve army of labour" term was used by who among the following

Economists

- a) J. Schumpeter
- b) J.R hicks
- c) Karl marx

79. Who among the following economists was not concerned with the problem

Of surplus labour

- a) W.A lewis
- b) Gustav renis and fei
- c) J.S mill

80. "Closed economy" is that economy in which

- a) Only export take places
- b) Money supply is fully controlled
- c) Neithen export nor import take places

81. The classical model of economic development emphasizes

- a) Laissez-fair policy
- b) Capital formation
- c) Both A and B

82. Harrod model doesnot talk about

- a) Actual growth rate
- b) Critical minimum growth rate
- c) Warranted growth rate

83. Entrepreneurship is most closely associated with

- a) Inventions
- b) Innovations
- c) Management

84. Lewis theory explains the process of development considering a _____
Sector economy _____

- a) One
- b) Two
- c) four

85. A country is poor because it is poor are the words of

- a) Singer
- b) Nurkse
- c) Hicks

86. The best indicator of economic development is

- a) Rising savings
- b) Rising capital accumulation
- c) Innovation and technology

87. Which one of the following is not an assumption of Harrod – Domar models

- a) MPS is greater than Δp
- b) MPS remain constant
- c) There is no depreciation of capital goods

88. The Lewis theory capital formation depends upon

- a) Capitalist surplus
- b) Bank credit

c) Both A and B

89. The book entitled “ The Accumulation Of Capital” has been written by

a) J. Robinson

b) N. Kaldor

c) J.E Meade

90. The term golden age as used by Joan Robinson refers to

a) Primitive economics

b) The situation of smooth and steady growth with full employment

c) The economy which uses gold coins

91. Which of the following does not measure income inequality

a) Lorenz curve

b) Per capita income

c) Gini coefficient

92. Black money in India

a) Raises prices alone

b) Encourages lavish consumption alone

c) Effects all the above three

93. Capital deepening is a process in which _____

a) Output remains constant

b) Capital intensity remains constant

c) Technology changes with an increase in output per worker

94. The two gap theory as applied to development planning refers to

a) Inflationary gap and investment gap

b) Saving gap and deflationary gap

c) Saving gap and foreign exchange gap

95. The technique of input-output analysis has been popularised by

a) Leontief

b) Samuelson

c) Leontief

96. According to Myrdal the cause of regional inequalities in the under developed countries has been

a) Weak backwash effects and strong spread effects

b) Strong back wash and spread effects

c) Strong back wash and weak spread effects

97. Accumulation of capital involves _____

a) Increase in real saving

b) Investment of saving

c) All of the above

98. Under developed countries are the slums of the world economy is the statement given by

a) David Ricardo

b) G Myrdal

c) Cairncross

99. The 'warranted growth' rate as defined by Harrod is the

a) Full capacity growth rate of income of an economy

b) Rates which producers will be content with what they are doing

c) Path on which the supply and demand for goods and services will remain in equilibrium given the propensity to save

100. Disguised unemployment generally means

a) Large number of people remaining unemployed

b) Alternative employment is not available

c) MPL is zero

ANSWER KEY

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1. Qualitative indicators
2. Quantitative indicators
3. Continuous
4. Alvin Tofler
5. Amartya Sen
6. Simon kuznets
7. Natural resources
8. Amartya Sen
9. Denis Goulet
10. G.M Meier
11. Long term
12. Static process
13. Increase in real percapita income
14. Social status
15. Simon kuznet
16. Paul Baren
17. Morris
18. Income for decent living
19. Educational attainment
20. Developing countries

21. OECD countries
22. Economic and political participation
23. All the above
24. Multidimensional poverty index
25. A.H leibenstein
26. Both demand and supply side
27. Ragnar nuekse
28. Productivity and income
29. A circular constellation of forces tending to act and react upon one another such a way as to keep a poor country in a state of poverty
30. Arthur hewis
31. Hirschman
32. Rosenstein rodan
33. Different parts of the economy grow in a harmonious manner
34. Leibenstein
35. Balanced
36. Dumont's social capillarity thesis
37. Calories
38. Dennis meadows and others
39. Amartya sen
40. Our common future
41. Lorenz ratio
42. All the above
43. State of poverty
44. Arthur lewis

- 45.W.W rostow
- 46.Pre conditions to take off
- 47.J. robinson
- 48.Harrod-Domar
- 49.J.A schumpeter
- 50.J.H boekem
- 51.Gunnar myrdal
- 52.Imported and indigenous social system
- 53.B.higgins
- 54.0
- 55.Deflation
- 56.Infant mortality rate
- 57.Saving income relationship
- 58.Encourages monopolistic forms of market
- 59.Percentage of literacy infant mortality and life expectancy
- 60.All of the above
61. All of the above
62. All of the above
- 63.Small size of the market
- 64.Unbalanced
- 65.The existence of different interest rates on the organized and unorganized money and capital markets in LDCs
- 66.Their prestige value
- 67.I and II
- 68.The rate of capital formation

69. Developing but slowly
70. Constancy of wage share
71. Jorgenson
72. P. streeten
73. Foreign aid
74. Schumpeter
75. Economic , social and political
76. Multidimensional poverty index
77. Harrod-Domer model of growth
78. Karl marx
79. J.S mill
80. Neither export nor import take place
81. Both A and B
82. Critical minimum growth rate
83. Innovations
84. Two
85. Nurkse
86. Rising levels of saving
87. MPS is greater than APS
88. Both A and B
89. J. robinson
90. The situation of smooth and steady growth with full employment
91. Per capita income
92. Effects all the above three
93. Technology changes with an increase in output per worker

- 94. Saving gap and foreign exchange gap
- 95. Leontief
- 96. Strong back wash and weak spread effects
- 97. All of the above
- 98. Cairncross
- 99. Full capacity growth rate of income of an economy
- 100. MPL is zero