1. “The National Income consists of a collection of goods & services reduced to a common basis by being measured in terms of money” Who said this?
   a) J.R. Hicks
   b) J.M. Keynes
   c) Fisher
   d) None of these

2. The Planning Commission has estimated that in 1979-80, the people lived below the poverty line is
   a) 43.5%  b) 45.7%  c) 48.4%  d) 41.4%

3. Disguised unemployment means
   a) the marginal productivity of the marginal men is zero
   b) the marginal productivity of the marginal men is more
   c) the marginal productivity of the marginal men is less
   d) none of these

4. According to Friedman the demand for money is determined by
   I. the general price-level
   II. the total output of goods & services in the economy
   III. the rate of interest
   IV. the rate of increase in the general price level
   Choose the correct answer from the following:
   a) I alone is correct
   b) II alone is correct
   c) III alone is correct
   d) all of these are correct

5. “The Liquidity Trap” means
   a) the speculative demand for money is perfectly elastic
   b) the rate of interest can fall to zero
   c) the rate of interest cannot fall to zero
   d) (A) & (C)

6. Five major cause for the growth of population in India is
   I. high birth rate
   II. grinding poverty
   III. early marriage of women
   IV. higher illiteracy rate in rural areas
   Choose the correct answer from the following:
   a) all statements are correct
   b) all statements are incorrect
   c) statements I and II are correct
   d) statements IV alone is correct
7. Non-conventional source of energy is
   a) Wind  
   b) Petrol  
   c) Coal  
   d) Oil

8. The Chairman of the State Planning Commission of Tamil Nadu is
   a) the Governor  
   b) the Chief Minister  
   c) the Speaker  
   d) the Chief Secretary

9. Three methods of computing National Income are
   a) production, outlay and income methods  
   b) saving, investment & income methods  
   c) production, depreciation & income methods  
   d) none of these

10. National Income in India is calculated with the help of
     a) Income method  
     b) Output method  
     c) Expenditure method  
     d) Income & output method

11. The Eighth Five Year Plan’s public sector outlay was
    a) Rs. 1,80,000 cr.  
    b) Rs. 22,00,000 cr.  
    c) Rs. 3,61,000 cr.  
    d) Rs. 4,34,100 cr.

12. Economic growth can be felt through
    a) increasing rate of capital formation  
    b) widening of market  
    c) innovations of technological change  
    d) all of these

13. What is the Economic importance of the period 1929-32?
    a) Nation-wide Poverty  
    b) Uruguay Round  
    c) Dunkel Draft  
    d) Great Depression

14. Bank Rate is
    a) concessional rate of interest on Loans  
    b) differential rate of interest  
    c) the rate at which the Central Bank rediscounts bills  
    d) interest rate charged by Nationalised Banks

15. “Lead Bank Scheme” was started in the year
    a) 1970  
    b) 1975  
    c) 1978  
    d) 1969

16. Adam Smith is known as “Father of Economics” because
   a) he is the founder of Classical School
   b) he emphasizes production and expansion wealths
   c) he introduced the concept of division of labour
   d) he published his book “Wealth of Nations”

17. Micro-Economics deals primarily with
   a) comparative statics, partial equilibrium, positive economics
   b) general equilibrium
   c) equilibrium
   d) dynamics

18. Elasticity of supply is
   a) the responsiveness of the quantity supplied to a change in price
   b) supply over demand
   c) supply less to demand
   d) none of these

19. Discriminating monopoly is possible if two markets have
   a) rising cost curve
   b) declining cost curves
   c) different elasticity of demand
   d) equal demand

20. The essential features of monopolistic competition are product differentiation existence of
   many firms and
   a) free entry and exit
   b) no substitute
   c) both (A) & (B)
   d) none

21. The ‘Indifference map’ is drawn only when
   a) prices of the commodities are given
   b) income of the consumer is given
   c) taste and preference of the consumer are given
   d) none of these

22. Total fixed cost is a
   a) Horizontal straight line
   b) Vertical straight line
   c) Convex to origin
   d) Concave to origin

23. In the long run equilibrium a competitive firm earns
   a) super normal profit
   b) profits equal to other firms
   c) normal profit
   d) no profit
24. “Profit is the wages of the entrepreneur which accrues to him on account of his special ability” Who said this?
   a) Clark  
   b) Schumpeter  
   c) Taussig  
   d) None of them

25. MC = MR = AC = AR shows the long run equilibrium of the
   a) competitive firm  
   b) oligopolist firm  
   c) monopolist firm  
   d) none of these

26. According to the marginal productivity theory of distribution the payment made for the service of factors of production is equal to its
   a) average productivity  
   b) marginal productivity  
   c) total productivity  
   d) all of these

27. Schumpeter is an
   a) Austrian Economist  
   b) English Economist  
   c) Italian Economist  
   d) none

28. In Cobb-Douglas production function Q = K Cln where C stands for
   a) Land  
   b) Quantity of Labour  
   c) Capital  
   d) Wage to Labour

29. The consumer’s surplus arises because
   a) consumer has lot of money  
   b) quality of different units of the same commodity differs  
   c) many later units pull down the market value  
   d) market is not perfect

30. An indifference curve shows
   a) combination of commodities X and Y with equal quantities  
   b) combination of commodities X and Y with each commodity giving equal satisfaction  
   c) combination of commodities X and Y with each combination giving equal satisfaction  
   d) none of these

31. The following are the objectives of Fiscal Policy:
   I. Attainment of full employment  
   II. Increasing the efficiency of productive resources  
   III. Minimising the inequalities of income & wealth  
   IV. Maintenance of price stability

Choose the correct answer from the following:
   a) I, II & III are correct  
   b) I alone is correct  
   c) I and II are correct  
   d) all are correct

32. Special Drawing Rights came into force in
   a) 1965
   b) 1970
   c) 1972
   d) none of these

33. Liquid assets held by individual & firm is
   a) near money
   b) soft money neutral money
   c) narrow money
   d) none of these

34. The income tax on the net profits of joint stock companies is called
   a) Gift Tax
   b) Capital Gains Tax
   c) Corporation Tax
   d) None of these

35. Permanent debt is also called
   a) Floating Debt
   b) Foreign Debt
   c) Currency Loans
   d) Internal Debt

36. In Public Finance, progressive rate of tax was based on
   a) law of variable proportions
   b) law of substitution
   c) law of demand
   d) law of diminishing marginal utility

37. Permanent Debt consists
   a) loans raised in the open market
   b) compensation and other Bonds
   c) 15 year Annuity Deposit Certificates
   d) all of these

38. If the Loans have been raised for productive purposes, such a debt is
   a) Self Liquidating
   b) International Liquidity
   c) Liquidity Preference
   d) None of these

39. The Public Debt in India has been beneficial in the following ways:
   I. It has helped in Agricultural and Industrial Development
   II. It has helped raising of National Income and output
   III. It has helped in raising of standard of living of people
   IV. It has helped India to modernise army

   Choose the correct answer from the following:
   a) I and II are correct
   b) II and III are correct
   c) I and IV are correct
   d) All are correct
40. Fiscal Policy assumed great importance after the
   a) World War I
   b) World War II
   c) Great Depression of 1930’s
   d) None of these

41. The incidence of tax refers to
   a) the level and rate of taxation
   b) who ultimately pays the tax
   c) the growth of taxation
   d) the way in which tax is collected

42. The Raj Committee Reporting in 1972 recommended erodical changes in
   a) Income Tax
   b) Wealth Tax
   c) Sales Tax
   d) Land Tax

43. Estate Duty was abolished in the budget for
   a) 1980-81
   b) 1982-83
   c) 1985-86
   d) 1975-76

44. The chief heads of Central Revenue Expenditure are
   a) Defence Services
   b) Development Services
   c) Administration Services
   d) All of these

45. Gift Tax was introduced for checking the evasion of
   a) Expenditure Tax
   b) Corporation Tax
   c) Capital Gains Tax
   d) Estate Duty

46. The underemployment condition which persists for a long period is called
   a) stagflation
   b) disinflation
   c) secular stagnation
   d) none of these

47. According to Friedman the Quantity theory is mainly a theory of
   a) supply of money
   b) demand for money
   c) both (A) & (B)
   d) none of these

48. The liquidity preference is determined by the
   a) transaction motive
   b) precautionary motive
   c) speculative motive
   d) all of these
49. Phillips studied the empirical relationship between
a) unemployment and the rate of change in money wages
b) unemployment and the rate of interest
c) full employment and the rate of change in money wages
d) none of these

50. In the Eighth Plan (1992-97) the proposed out-lay on Irrigation was
a) Rs. 32,525.3 cr.
b) Rs 22,525.3 cr
c) Rs. 12,525.3 cr.
d) Rs. 42,525.5 cr.

51. The quotas of International Monetary Fund were fixed on the following basis:
   I. 2% of National Income
   II. 5% of gold and dollar reserves
   III. 10% of average annual imports
   IV. 10% of maximum variation to annual exports

   Choose the correct answer from the following:
a) I and II are correct
b) III and IV are correct
c) I, II and III are correct
d) All are correct

52. Revealed preference hypothesis is based on
a) weak ordering
b) neutral ordering
c) strong ordering
d) none of these

53. The stagflation refers to co-existence of
a) inflation and unemployment persistence
b) inflation and food problems
c) deflation and unemployment
d) none of these

54. The International Bank for Reconstruction and Development is popularly known as
a) American Bank
b) Central Bank
c) World Bank
d) None of these

55. Keynes believed that the rate of interest was determined by the interaction of
a) savings and investment
b) demand and supply of capital
c) liquidity preference and supply of money
d) none of these

56. Narasimhan Committee on the banking system in India submitted its report in
a) 1990   b) 1991   c) 1992   d) 1995
57. In Fisher’s equation of Exchange $MV = PT$ where ‘$V$’ stands for
   a) value of money  
   b) velocity of circulation of money  
   c) both (A) & (B)  
   d) none of these

58. Modern Quantity Theorists led by
   a) Friedman  
   b) Marshall  
   c) Malthus  
   d) Ricardo

59. “Our present troubles are not of a Monetary Character” are the words of
   a) Hicks  
   b) Keynes  
   c) Friedman  
   d) J.S. Mill

60. The objectives of monetary policy will be
   a) full employment  
   b) price stability  
   c) stability of foreign exchange rate  
   d) all of these

61. In Tamil Nadu, the Sainik School is located in
   a) Coimbatore  
   b) Salem  
   c) Tiruchirapalli  
   d) Kanyakumari

62. The Sergeant Report of 1944 insisted on the establishment of
   a) Pre-Primary schools  
   b) Primary schools  
   c) Vocational schools  
   d) Public schools

63. The University at Thanjavur offers exclusive courses in
   a) Computers  
   b) Tamil literature  
   c) Oriental languages  
   d) all subjects

64. ‘Tachistoscope’ is used to measure
   a) Span of Attention  
   b) Span of Learning  
   c) Span of Forgetting  
   d) Span of Teaching

65. Pavlov propounded the theory of
   a) classical conditioning  
   b) operant conditioning  
   c) general conditioning  
   d) none of these
66. DTERT is expanded as
   a) Directorate of Teaching, Education, Research and Training
   b) Directorate of Teacher Education, Research and Training
   c) Distance Teaching, Education, Research and Training
   d) Distance Teacher Education and Re-Teaching

67. The theory on ‘Hierarchy of Needs’ was propounded by
   a) Abraham Maslow      b) Jean Piaget     c) Bertrand Russell   d) McLeland

68. Formula to calculate Intelligence Quotient is
   a) \( \frac{MA}{CA} \times 100 \)
   b) \( \frac{MA}{CA} \times 100 \pm 5 \)
   c) \( \frac{MA}{CA} \times 100 \pm 5 \)
   d) \( \frac{CA}{MA} \times 100 \)

69. Frederick J. McDonald established
   a) Sainik Schools
   b) Community Schools
   c) Mobile Schools
   d) Public Schools

70. The Floating University (S.S. Universe) visited the Madras Harbour in the year
   a) 1977      b) 1978      c) 1979      d) 1980

71. The New Educational Policy of 1986 was implemented by
   a) A) Indira Gandhi
   b) Rajiv Gandhi
   c) Mahatma Gandhi
   d) None of them

72. “India’s destiny is shaped in her classrooms” was the initial statement found in the report of the
   a) Kothari Education Commission
   b) Indian Education Commission
   c) Sampoornananda Committee
   d) Malcom Adiseshaiya’s Committee

73. Navodaya Schools are managed by
   a) the State Governments
   b) the Central Government
   c) Private Authorities
   d) both Central and State Governments

74. The present system of education is
   a) child centered
   b) subject centered
   c) teacher centered
   d) all of these
75. A ‘Laissez faire’ teacher exercises
   a) more control
   b) less control
   c) no control
   d) full power

76. In the word ‘Personality’ Persona means
   a) the physical features of the actor
   b) the actor
   c) the mask worn by the actor
   d) the dress worn by the actor

77. The child’s first Teacher is
   a) the Pre-primary Teacher
   b) the primary Teacher
   c) the Parent
   d) the society

78. The book titled “Education for a Better Social Order” was written by
   a) Rousseau
   b) Russell
   c) Maslow
   d) Aurobindo

79. “Education should be aimed at the grass root level of any nation” - This slogan was stressed by
   a) Nehru
   b) Abul Kalam Azad
   c) Gandhi
   d) Montessori

80. Diversified curriculum at the Higher Secondary level was implemented in the year
   a) 1947  b) 1951  c) 1968  d) 1978

81. The concept of income multiplier or investment multiplier was developed by
   a) Fisher
   b) Keynes
   c) J.B. Say
   d) None of them

82. The headquarters of the I.M.F. is located at
   a) Washington
   b) Geneva
   c) Rome
   d) Prague

83. The Primary objective of Macro-Economic Policies is
   I. Full employment
   II. Price stability
   III. Economic growth
   IV. Regional Development
Choose the correct answer from the following:

84. The Concept of Acceleration is associated with the name of
   a) J.M. Clerk  b) J.B. Say  c) Marshall  d) None of them

85. The Union Budget for 1999-2000 was presented by
   a) Yashwant Sinha  b) Manmohan Singh  c) P. Chidambaram  d) None of them

86. IS curve explained the relationship between
   a) A savings schedules & investment schedules
   b) income schedules & saving schedules
   c) investment schedules & supply of money schedules
   d) none of these

87. Investment in the Keynesian sense means an addition to real capital assets such as
   I. Construction of New Factories
   II. Buildings
   III. Plants
   IV. Roads
   Choose the correct answer from the following:
   a) I & II are correct
   b) I & III are correct
   c) III & IV are correct
   d) all of these

88. The marginal efficiency of capital is determined by
   a) the supply price of Capital Assets
   b) the prospective yield from Capital Assets
   c) both (A) & (B)
   d) none of these

89. The basic Keynesian concept of effective demand was given by
   a) Malthus  b) Ricardo  c) Say  d) None of them

90. Keynes theory of employment is often referred to as
   a) the New Economics
   b) the Old Economics
   c) both (A) & (B)
   d) none of these

91. S.D.R. is adopted for
   a) reducing international liquidity
   b) increasing international liquidity
   c) promoting exports only
   d) promoting imports only
92. Father of Macro-Economics is
   a) Pareto  
   b) J.B. Say  
   c) J.S. Mill  
   d) J.M. Keynes  

93. Marginal efficiency of capital refers to the
   a) expected rate of profit  
   b) expected rate of investment  
   c) expected rate of interest  
   d) none of these  

94. Multiplier is the ratio expressing the relationship between
   a) increase in National Income and the increase in investment  
   b) increase in savings and increase in investment  
   c) increase in investment and increase in output  
   d) none of these  

95. The L.M. Curve shows the combination of
   a) level of income & money supply  
   b) liquidity preference schedule and supply of money schedule  
   c) loanable fund schedule and supply of money schedule  
   d) none of these  

96. Who was the first President of the Republic India?
   a) Dr. Rajendra Prasad  
   b) Dr. Rajagopalachari  
   c) Dr. Radhakrishnan  
   d) V.V. Giri  

97. What is a light year?
   a) A kind of year  
   b) A measure of time  
   c) A measure of distance  
   d) The distance travelled by light in a year.  

98. “Kalingathu Parani” was written by
   a) Kambar  
   b) Jeyankondar  
   c) Sekkilar  
   d) Avvaiyar  

99. Raja Raja Chola built
   a) Gangaikonda Cholapuram  
   b) Brihadeeswara Temple  
   c) Meenakshi Temple  
   d) Mahabalipuram Shore Temple  

100. Marathon Race is
    a) 26 miles and 385 yards  
    b) 21 miles and 385 yards  
    c) 32 miles and 385 yards  
    d) 19 miles and 385 yards