A

1. Panchayati raj institutions are intended to strengthen
   A) Structural planning
   B) Multilevel planning
   C) Indicative planning
   D) Functional planning

2. In traditional theory, AFC is
   A) Horizontal straight line
   B) Rectangular hyperbola
   C) 'U' shaped curve
   D) Inverse 'S' shaped curve

3. The standard deviation of first 10 natural numbers is -----------
   A) 1.87
   B) 2.87
   C) 3.87
   D) 2.47

4. Closing down point of a firm is corresponding to
   A) AC=AR
   B) MC=MR
   C) AC=P
   D) AVC= P

5. Lebenstein in his critical minimum effort thesis treats population as a factor that is:
   A) Income generating
   B) Income depressing
   C) Investment generating
   D) Saving generating

6. Equality in taxation can best be achieved by applying the principle of
   A) Equal absolute sacrifice
   B) Equal proportional sacrifice
   C) Equal marginal sacrifice
   D) Equal progressive sacrifice

7. Match List I with List II and select the correct answer.

List I (Books)		**List II (Authors)**	
a.	The New Industrial Estate	1.	W J Baumol
b.	History of Economic Analysis	2.	J S Mill
c.	Economic Theory & Operational Analysis	3.	J A Schumpeter
d.	Principles of Political Economy	4.	J K Galbraith

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

8. Capability approach is coined with
   A) Ragnar Nurkse
   B) Simon Kuznets
   C) Amartya Sen
   D) Jagdish Bhagwathi

9. In State preference theory, linear indifference curve shows
   A) Risk aversion
   B) Risk preference
   C) Zero risk aversion
   D) Absolute risk aversion

10. In which of the following areas that Chamberlin has made unique contributions
    A) Sunk cost   B) Selling cost
    C) Advertising cost   D) Social cost

11. Profit of the govt. resulting from printing /minting of money is known as
    A) Mint charge   B) Fiduciary rate
    C) Monopoly gain   D) Seigniorage

12. The rural population in India as per 2011 census is ------ crores.
    A) 83.37   B) 82.37   C) 81.27   D) None of these

13. The term 'Classical Economists' was first used in Economics by
    A) Karl Marx   B) Adam Smith   C) Ricardo   D) Malthus

14. Keynes Consumption function is
    A) Linear & proportional   B) Non linear & non proportional
    C) Linear & non proportional   D) Non linear & proportional

15. Augmented Phillips curve is associated with
    A) Hicks   B) Hansen   C) Friedman   D) Robinson

16. RBI adopted CPI as new measure of inflation on the basis of recommendations of ----- Committee.
    A) Y .V Reddy   B) C Rangarajan
    C) Urjit R.Patel   D) Raghuram Rajan

17. "Individual rationality leads to collective irrationality" is best explained by
    A) Tragedy of the commons   B) First law of thermodynamics
    C) Pigouvian law   D) Coase theorem

18. Money that is not intrinsically useful and is valued only because it is used as money
    A) Call money   B) Paper money   C) Token money   D) Fiat money

19. Which of the following is a green house gas?
    A) Carbon dioxide   B) Water vapour
    C) Ozone   D) All of the above

20. Stagflation refers to a situation which is characterized by
    A) Deflation & rising unemployment
    B) Inflation & rising unemployment
    C) Deflation & rising employment
    D) Inflation & rising employment

21. What is HDI value of India in Human Development Index 2017?
    A) 0.614   B) 0.640   C) 0.641   D) 0.604

22. 2018's Nobel prize has been given jointly to William Nordhaus and Paul Romer for----.
   A)   Contribution to behavioral economics
   B)   Contribution to contract theory
   C)   Analysis of market power and regulation
   D)   Climatic change and technological innovation in long term economic theory

23. 'Subprime lending' is a term applied to the loans made to ------.
   A)   Those borrowers who do not have a good credit history
   B)   Those borrowers who do not have a good debit history
   C)   Those borrowers who have a good credit history
   D)   Those borrowers who have a good debit history

24. According to life cycle hypothesis, consumption depends on:
   A)   Transitory income   B)   Wealth and investment
   C)   Income and saving   D)   Income and wealth

25. Which is the assumption of classical linear regression model?
   A)   May or may not be linear in the parameters
   B)   May or may not be linear in the variables
   C)   Linear in the parameters
   D)   Linear in both the parameters and variables

26. Gini index's over sensitivity to change in the middle of the distribution and insensitivity to changes at the top and bottom are addressed by:
   A)   Kuznets ratio   B)   Lorenz ratio
   C)   Palma ratio   D)   All the above

27. Who authored 'Economic Development with Unlimited Supplies of Labour'?
   A)   Joan Robinson   B)   Arthur Lewis
   C)   Solow   D)   Gustav Ranis

28. Kaldor's stylized facts do not include:
   A)   The growth rate of output and capital input is constant over time
   B)   The growth rate of capital stock is constant but less than labor
   C)   The capital output ratio is constant
   D)   The profit rate is constant

29. The proportion of child population (0-14) and working age group (15-59) in Kerala as per 2011 census is:
   A)   23 % and 64 % respectively B)   26 % and 60 % respectively
   C)   30 % and 51 % respectively D)   31% and 54 % respectively

30. The Verdoorn's Law shows:
   A)   Negative relationship between growth of population and growth of income
   B)   Positive relationship between the growth of output and the growth of productivity
   C)   Positive relationship between the growth of saving and growth of employment
   D)   Positive relationship between growth of income and growth of imports

31. The ratio of total physical quantities of imports to the total physical quantities of exports of a given country is called:
    A) Commodity terms of trade   B) Income terms of trade
    C) Gross barter terms of trade   D) Double factoral terms of trade

32. Keynes' theory of involuntary unemployment is based on:
    I. Deficiency of aggregate demand
    II. Price flexibility
    III. Money wage rigidity

    A) I and II are correct   B) I and III are correct
    C) II and III are correct   D) I, II and III are correct

33. Determine the equilibrium level of national income if the consumption function of an economy is $40 + 0.8\,Y$, and planned level of investment is 75 crores:
    A) 100 cores   B) 115 crores   C) 500 crores   D) 575 crores

34. Calculate the intra-industry trade index if a country's exports and imports are worth 1000 and 750 crores respectively.
    A) 1.33   B) 1.0   C) 0.75   D) 0.86

35. When the Cournot solution is stable:
    A) Each firm supplies 1/3 of the market, at a common price which is lower than the monopoly price but above the pure competitive price
    B) Each firm supplies 1/3 of the market, at a common price which is lower than the pure competitive price but above the monopoly price
    C) Each firm supplies 1/3 of the market, at a common price which is equal to the pure competitive price and the monopoly price
    D) Each firm supplies ½ of the market, at a common price which is equal to the pure competitive price and the monopoly price

36. Match List I with List II

	List I		List II
a)	12th Finance Commission	1)	Y V Reddy
b)	13th Finance Commission	2)	C Rangarajan
c)	14th Finance Commission	3)	N K Singh
d)	15th Finance Commission	4)	Vijay Kelkar

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

37. According to Golden Rule of Accumulation, in a golden age the per capita consumption is maximized when:
    A) Saving rate   =   profit rate
    B) Saving rate   =   investment rate
    C) Profit rate   =   capital output ratio
    D) Population growth rate =   income growth rate

38. According to Hicks, the technical progress is capital saving if it:
   A) Raises the marginal product of labour in greater proportion than the marginal product of capital
   B) Raises the marginal product of capital in greater proportion than the marginal product of labour
   C) Raises the capital output ratio
   D) None of the above

39. Arrange the following countries in the correct descending order of their HDI rank as per 2018 figures:
   i. Pakistan   ii. India   iii. Sri Lanka   iv. Bhutan

   A) Bhutan - Sri Lanka – India – Pakistan
   B) Sri Lanka – India – Bhutan – Pakistan
   C) India - Sri Lanka – Bhutan – Pakistan
   D) Bhutan – Pakistan – India - Sri Lanka

40. If the tariff imposing country raises its level of income and employment at the expense of the exporting country, it is a/an:
   A) Import substitution effect
   B) Beggar thy neighbour policy
   C) Dead weight loss of the tariff
   D) Optimum tariff

41. Peacock and Wiseman's 'displacement effect' is cited as an explanation of:
   A) Increase in consumer saving
   B) Increase in consumer spending
   C) Increase in government spending
   D) Increase in bank credit

42. Which among the following canons of taxation is NOT propounded by Adam Smith?
   A) Canon of elasticity   B) Canon of equity
   C) Canon of economy   D) Canon of certainty

43. Identify the tax included in the union list:
   A) Capitation tax   B) Corporation tax
   C) Tax on agricultural income   D) Tax on mineral rights

44. Which among the following factors is/are the determinant/s of comparative advantage?
   A) Factor endowments   B) Technology
   C) Tastes   D) All the above

45. According to the average cost principle:
   A) P = AFC + GPM   B) P = AVC + GPM
   C) P = AVC + AFC + GPM   D) P = AVC + NPM

46. The behavioral theory of the firm which focuses on the decision making process of the large multiproduct firm under uncertainty in an imperfect market is developed by:
   A) Williamson   B) Marris
   C) Cyert and March   D) H A Simon

47. Offer curve is also known as:
    A) Reciprocal demand curve
    B) Production possibility curve
    C) Community indifference curve
    D) None of the above

48. Consider the following statements related to basing point price system:
    I. The basing point price system is an extension of Hotelling model of non collusive pricing by duopolists located in different places
    II. The basing point pricing has been adopted by oligopolists producing heterogenous products
    III. The basing point price system is sometimes called the Pittsburgh plus pricing system

    A) I alone is correct   B) II alone is correct
    C) I and III are correct   D) I, II and III are correct

49. MEC curve in general:
    A) Vertical straight-line   B) Slopes downward
    C) Slopes upward   D) U - shaped

50. According to CES production function, the value of distributive parameter (α) lies between:
    A) $0 \leq \alpha \leq 1$ B) $0 \leq \alpha < 1$ C) $0 \geq \alpha < 1$ D) $1 < \alpha < \infty$

51. By imposing a lump-sum tax, the government can:
    A) Reduce the monopolist's profit by reducing commodity price
    B) Increase monopolist's profits by increasing the monopolist's price or output
    C) Reduce or eliminate the monopolist's profits without affecting either the commodity price or output
    D) Cannot influence monopolist's profits

52. Identify the production process given by Brahmananda:
    A) Wage goods → disposable income → labor employment → wage goods
    B) Wage goods → GDP → foreign trade → wage goods
    C) Wage goods → labor employment → capital → wage goods
    D) Wage goods → saving → investment → wage goods

53. Consider the following statements related to KIIFB:
    I. KIIFB stands for Kerala Infrastructure and Industrial Fund Board
    II. KIIFB is a statutory body constituted by the 'Kerala Infrastructure Investment Fund Act, 1999
    III. KIIFB decided to raise Rs 5,000 crore from Masala Bonds to fund large and critical infrastructure projects in the state

    A) I and II are correct   B) I and III are correct
    C) II and III are correct   D) I, II and III are correct

54. During 2016-17, the contribution from the primary sector to the GSVA of Kerala at constant prices was:
    A) 10.7 percent B) 11.27 percent C) 12.37 percent D) 13.36 percent

55. A critical minimum effort would lead to:
    A) Expansion of the secondary and tertiary sectors
    B) Expansion of growth agents
    C) Creation of an environment that stimulate socio economic mobility
    D) All the above

56. Match List I with List II

    List I
    a) Pre condition to take off
    b) Take off
    c) Drive to maturity
    d) Stage of high mass consumption

    List II
    1) Stage of self sustaining economic growth
    2) Period of consumers sovereignty
    3) Rate of saving and investment below 5 %
    4) Investment rises to 20 % of GDP

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

57. The sequence of development via excess capacity of SOC is having the following feature/s:
    A) It is self propelling   B) It is a permissive sequence
    C) Both A and B   D) None of the above

58. The Gini coefficient:
    A) Ranges between 0 to 1
    B) Is a single number aimed at measuring the degree of inequality in a distribution
    C) Can be shown as the ratio of the area that lies between the line of equality and the Lorenz curve
    D) All the above

59. Arrange the following in the ascending order based on the degree of economic integration:
    I.   Free trade area   II. Customs union
    III. Common market   IV. Preferential trading area

    A) IV – I – II – III   B) I – II – III – IV
    C) IV – III – I – II   D) I – IV – III – II

60. As per Human Development Index (HDI), mean years of schooling means:
    A) Years that a person aged 25 or older has spent in formal education
    B) Years that a person aged 18 or older has spent in formal education
    C) Years of schooling for children under 15 years of age
    D) Years of schooling for children under 18 years of age

61. Which among the following is NOT an assumption of Domar's model of economic growth?
    A) There is an initial full employment level of income
    B) The marginal propensity to save is greater than average propensity to save
    C) The economic system is closed
    D) The propensity to save and capital coefficient are considered to be constant

62. The business sector's desired stock of capital (k*) depends on:
A) Marginal propensity to consume
B) Expected output and marginal propensity to consume
C) Expected output and user cost of capital
D) User cost of capital and marginal propensity to save

63. Identify the correct statement relating to Tobin's q ratio:
A) It is the ratio of the market value of corporate financial assets to the replacement cost of corporate real assets
B) Firms add to their capital stock when q > 0
C) The market value of a firm's securities is directly linked to the nominal wage rate
D) All the above

64. ------ refers to the desire to possess a unique commodity having a prestige value:
A) Bandwagon effect
B) Snob effect
C) Veblen effect
D) Demonstration effect

65. Match List I with List II

	List I		List II
a)	Social dualism	1)	H Myint
b)	Financial dualism	2)	Greetz
c)	Ecological dualism	3)	H W Singer
d)	Enclave dualism	4)	J H Boeke

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

66. The point at which the firm covers its variable cost is called:
A) Equilibrium point
B) Breakeven point
C) Bliss point
D) Shut down point

67. In the Mundell- Fleming model:
A) A devaluation shifts LM curve to the right, expands net exports and raises aggregate income
B) A devaluation shifts LM curve to the right, reduces net exports and lowers aggregate income
C) A devaluation shifts LM curve to the left, reduces net exports and lowers aggregate income
D) A devaluation keeps LM curve unchanged

68. According to Bain's theory, the condition of entry (E) is:
A) The premium accruing to the established firms in an industry from charging a price higher than the pure competitive price
B) The premium accruing to the established firms in an industry from charging a price higher than the marginal cost of production
C) The premium accruing to the newly entrant firm in an industry from charging a price higher than the pure competitive price
D) The premium accruing to the newly entrant firm in an industry from charging a price higher than the marginal cost of production

69. 'Forest cover' has been introduced in the formula for horizontal sharing by:
    A) 10th Finance Commission   B) 12th Finance Commission
    C) 13th Finance Commission   D) 14th Finance Commission

70. Which of the following is not a test of detecting autocorrelation?
    A) Durbin Watson Test   B) BG Test
    C) Runs Test   D) BPG Test

71. Given a supply function $q = -0.06p^2 + 2p - 5$, find arc elasticity of supply when price 'p' decreases from 11 to 10.
    A) 0.64   B) 0.74   C) 0.84   D) 0.94

72. A binomial distribution can be closely approximated by a normal distribution if:
    A) The number of trials (n) is very large
    B) The number of trials (n) is large and if neither the probability of success (p) nor the probability of failure (q) is too close to zero
    C) The number of trials (n) is large and both the probability of success (p) and the probability of failure (q) are close to zero
    D) The number of trials (n) is small and neither the probability of success (p) nor the probability of failure (q) is too close to zero

73. Identify the name/s associated with the development of travel cost method of environmental valuation:
    A) Harold Hotelling   B) Jack Clawson
    C) Marion Knetsch   D) All the above

74. The Organic Composition of Capital (c/v):
    I. Measures the difference between the rate of surplus value and the rate of profit
    II. Indicates that the more capital intensive the industry, the lower is the rate of profit

    A) I alone is correct   B) II alone is correct
    C) Both I and II are correct   D) Both I and II are incorrect

75. The vent for surplus is a theory was formulated by:
    A) David Ricardo   B) Adam Smith   C) J S Mill   D) Karl Marx

76. The theory of exchange rate developed by Gustav Cassel is:
    A) Mint parity theory   B) Purchasing power parity theory
    C) Balance of payment theory   D) Modern theory of exchange rate

77. The chagrin effect is:
    A) A positive elasticity which measures the proportionate decrease in the sale of established firms as the price decreases and dissatisfied customers turn to the new entrant
    B) A negative elasticity which measures the proportionate increase in the sale of established firms as the price decreases and dissatisfied customers turn to the new entrant
    C) The expectation of existing firms that the potential entrant will not come into the market if he thinks that the price post entry will fall below his LAC
    D) The expectation of the entrant that the established firms will continue in the post entry period to produce the same level of output as pre entry

78. Lagrangian multiplier is a/an:
    A) OLS method
    B) MLP method
    C) Constraint optimisation method
    D) Unconstraint optimisation method

79. Who is the author of 'Poverty of Philosophy'?
    A) A K Sen   B) Karl Marx
    C) Galbraith   D) Myrdal

80. Consider the statements related to Goods and Service Tax (GST) in India:
    I. Aviation turbine fuel is kept outside the GST
    II. GST council is chaired by the Prime Minister
    III. GST was launched on 1st July 2017
    IV. Single GST subsumed taxes like central excise duty, additional customs duty, octroi etc.

    A) Statements I, II and III are correct
    B) Statements II, III and IV are correct
    C) Statements I, III and IV are correct
    D) Statements I, II, III and IV are correct

81. The concept of Golden Age was given by:
    A) Joan Robinson   B) Nicholas Kaldor
    C) Robert M Solow   D) Gerald M Meier

82. Which among the following is NOT a property of binomial distribution?
    A) It is a discrete probability distribution
    B) Mean of binomial distribution is np
    C) Variance of binomial distribution is npq
    D) Moment coefficient of Kurtosis is 3

83. The locus of points where one individual's indifference curve is tangent to the other individual's indifference curve is:
    A) Grand utility possibility curve
    B) Product transformation curve
    C) Consumption contract curve
    D) Utility possibility curve

84. The model of low level equilibrium trap recognizes the interdependence between:
    A) Population growth, saving and investment
    B) Per capita income, investment and capital output ratio
    C) Population growth, per capita income and technical progress
    D) Population growth, per capita income and national income growth

85. Kaldor's model of economic growth is emphasized on:
    A) Saving   B) Capital accumulation
    C) Technical dynamism   D) Expanding population

86. According to permanent income hypothesis, the proportion of permanent income that is consumed depends upon:
   A) Rate of interest
   B) The proportion of non human wealth to human wealth
   C) Desire to add to one's wealth
   D) All the above

87. Quasi rent equals:
   A) TR – TVC   B) TR – TC   C) TR – TFC   D) TR - AVC

88. Coefficient of determination (r^2) is a/an:
   A) First order test   B) Second order test
   C) Third order test   D) Econometric test

89. Natural rate of unemployment:
   A) Exists when there is cyclical unemployment
   B) Exists when there is no structural unemployment
   C) Equals the percentage of the labor force that is frictionally unemployed
   D) Equals the percentage of the labor force that is frictionally and structurally unemployed

90. Activity analysis isoquant is also known as:
   A) Input output isoquant   B) Linear programming isoquant
   C) Linear isoquant   D) Convex isoquant

91. Exact micronumerosity arises when the sample size is:
   A) 0   B) 1   C) α   D) Greater than 20

92. Which of the following is a nonparametric test of 'paired t'?
   A) Kruskal Wallis   B) Mann-Whitney U
   C) Wilcoxon Signed-Ranks   D) Binomial Test

93. According to Chamberlin, excess capacity is due to:
   I.   Price competition   II.   Non price competition
   III. Selling cost   IV.   Free entry

   A) I and III are correct   B) II and III are correct
   C) I and IV are correct   D) II and IV are correct

94. The 'Survivor technique' has been developed by:
   A) George Stigler   B) J Johnston
   C) F M Scherer   D) C K Rowley

95. An increase in an economy's marginal propensity to import:
   A) Increases the multiplier effect of a change in an autonomous variable
   B) Reduces the multiplier effect of a change in an autonomous variable
   C) Leaves the multiplier effect of a change in an autonomous variable unaffected
   D) None of the above

96. Identify the wrong statement related to Kuznets' consumption function:
    A)   Consumption function, C = a +b Y
    B)   It remains constant over a long period of time
    C)   In Kuznets' consumption function, there is no autonomous consumption
    D)   Kuznets consumption function curve starts from the point of origin

97. Consider the statements relating to NIFTY
    Statement I: NIFTY 50 is a free float market capitalization weighted index
    Statement II: NIFTY 50 is owned and managed by India Index Services and Products

    A)   Statement I alone is correct   B)   Statement II alone is correct
    C)   Statement I and II are correct D)   Statement I and II are wrong

98. The theory of circular causation was coined by:
    A)   Gunnar Myrdal   B)   Harrod
    C)   Robert Cassen   D)   Nurkse

99. When marginal revenue is zero, the shape of Price Consumption Curve (PCC) is:
    A)   Vertical   B)   Horizontal
    C)   Downward sloping   D)   Upward sloping

100. According to J S Mill, the tendency of profit to be minimum can be checked by:
    A)   Technological improvements
    B)   Extension of foreign trade
    C)   Government borrowing for unproductive expenditure
    D)   All the above

101. The root mean square deviation about mean is:
    A)   Quartile deviation   B)   Mean deviation
    C)   Standard deviation   D)   Variance

102. An exception to Stolper Samuelson theorem is:
    A)   Leontief paradox   B)   Metzler paradox
    C)   Rybczynski theorem   D)   Ultra pro trade bias

103. Assume that aggregate supply is positively sloped and there is a decrease in the mark up on variable cost. Then:
    A)   Aggregate supply shifts leftward, price level increases and real output decreases
    B)   Aggregate supply shifts rightward, the price level increases and the real output decreases
    C)   Aggregate supply shifts leftward, the price level decreases and the real output increases
    D)   Aggregate supply shifts rightward, the price level decreases and the real output increases

104. In a perfectly competitive market, if the supply curve has a negative slope, the imposition of a specific tax results in:
    A)   An increase in price which is equivalent to the tax
    B)   An increase in price which is greater than the tax
    C)   An increase in price which is less than the tax
    D)   No change in price

105. Gresham's Law:
   A)   States that bad money drives out good money
   B)   Operates under the bimetallic standard
   C)   Operates when paper currency notes circulate along with gold or silver coins
   D)   All the above

106. The reaction curve approach is a more powerful method of analysis of oligopolistic markets because it allows the relaxation of the assumption of:
   A)   Identical cost and identical supply
   B)   Identical output and identical demand
   C)   Identical demand and identical supply
   D)   Identical cost and identical demand

107. Which of the following statement(s) is/are correct?
   I.   The correlation between the age of applicants for life insurance and premium of insurance is positive.
   II.   Arithmetic mean of regression coefficients is greater than the correlation coefficient.
   III. Scatter diagram helps in determining the degree of correlation.

   A)   I and III only are correct   B)   II and III only are correct
   C)   I and II only are correct   D)   III only is correct

108. An investment consultant predicts that the odds against the price of a certain stock will go up during the next week are 3: 2 and odds in favour of the price remaining the same are 1: 3. What is the probability that the price of the stock will go down during the next week?
   A)   7/20   B)   2/5   C)   13/20   D)   3/5

109. Jarque-Bera test is meant for testing:
   A)   Autocorrelation   B)   Structural change
   C)   Residual normality   D)   Heteroscedasticity

110. The basic assumption of Baumol's static models does not include:
   A)   Conventional cost and revenue function
   B)   The firm attempts to maximize its total sales revenue subject to a profit constraint
   C)   The minimum profit constraint is exogenously determined by the demands and expectation of the shareholders, the banks and other financial institutions
   D)   Profit is an instrumental variable whose value is endogenously determined

111. The value of foreign trade multiplier is:
   A)   Always equal to 1
   B)   Determined by marginal propensity to consume
   C)   Positively related to marginal propensity to import
   D)   All the above

112. The theory of unequal exchange owes its name to:
   A)   Emmanuel   B)   Baran   C)   Frank   D)   Amin

13

113. The Marshall- Lerner condition is set to hold when the sum of price elasticity of demand for imports and exports is:
    A) Always equal to zero
    B) Between zero and one
    C) Greater than one
    D) Unity

114. Match List I with List II

	List I		**List II**
a)	Poisson distribution	1)	Mean is greater than variance
b)	Binomial distribution	2)	Mean and variance are equal
c)	Normal distribution	3)	Mean is its degree of freedom
d)	Chi-square distribution	4)	Mean, Median and Mode are equal
		5)	Mean is 2 times its degree of freedom

    A) a-2, b-1, c-4, d-3
    B) a-1, b-2, c-3, d-5
    C) a-3, b-5, c-1, d-2
    D) a-2, b-3, c-1, d-4

115. The quantity theory of money is a truism according to:
    A) Irving Fisher
    B) J M Keynes
    C) G Crowther
    D) G N Halm

116. According to Pigou's equation of cash balance approach, the value of money:
    A) Varies directly with the proportion of total real resources/ income which people wish to hold in the form of legal tender
    B) Varies inversely with the proportion of total real resources/ income which people wish to hold in the form of legal tender
    C) Varies directly with the number of actual units of legal tender money
    D) Varies inversely with the real income

117. "For each one percent increase in inflation, the central bank tends to raise the nominal interest rate by more than one percentage point". This rule is called:
    A) Okun's law
    B) Taylor principle
    C) Barro- Ricardo equivalence theorem
    D) Gresham's law

118. The Vogel Approximation Method is an improved version of:
    A) Minimum Cell Cost Method
    B) North West Corner Method
    C) Both A and B
    D) None of these

119. Limited Information Maximum Likelihood (LIML) is a:
    A) Systemic method
    B) Single equation method
    C) BLUE method
    D) None of these

120. According to whom, progressive state is the cheerful and the hearty state to all the different orders of the society?
    A) J S Mill
    B) Malthus
    C) Adam Smith
    D) David Ricardo

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