

Subject Code **0414**

ECONOMICS (Core-14)

Question Booklet No.

Signature of Invigilator	To be filled in by candidate by ball-point pen only	OMR Sl. No. _____
	Roll No. _____	_____
Time of Examination	Declaration : I have read and understood the instructions given below.	
Date of Examination	Full Signature of Candidate	Full Marks : 80/50 Time : 1 hour
	Name of Candidate	

Number of Questions in the Booklet } **50/40**



UU 6th Semester Examination, 2020

INSTRUCTIONS TO CANDIDATES

- Immediately after getting the booklet read instructions carefully mentioned on the front and back page of the Question Booklet. Do not open the seals unless asked by the Invigilator.
- Write your Roll No., OMR Response Sheet No., in the specified places given above and put your signature.
- Write the subject code of the booklet in your OMR Sheet.
- Make all entries in the OMR Response Sheet as per the given instructions; otherwise OMR Response Sheet will not be evaluated.
- After opening the seals, ensure that the Question Booklet contains total no. of pages as mentioned above and printing of all the **50 / 40** questions are proper. If any discrepancy is found, inform the invigilator within **15** minutes and get the correct Question Booklet.
- For each question in the Question Booklet choose the correct option from the given four alternatives and darken the same circle in the OMR Response Sheet with Black or Blue ball-point pen.
- Darken the circle of correct answer properly; otherwise answers will not be evaluated. The candidate will be fully responsible for it.
- If more than one option is darkened for a particular question, then it will be treated as wrong answer.
- After completion of the examination, only OMR Response Sheet is to be handed over to the invigilator.

THERE IS NO NEGATIVE MARKING FOR WRONG ANSWER

ECONOMICS (Core-14)

(Answer any 40 questions)

- 1 Birth rate is the number of live births per thousand persons in:
 - (A) 10 years
 - (B) 5 years
 - (C) 2 years
 - (D) 1 year
- 2 A large proportion of population growth refers to:
 - (A) High birth rate
 - (B) High life expectancies
 - (C) High death rates
 - (D) More married couples
- 3 Number of death of babies before the age of one year per 1000 live births is called:
 - (A) Infant mortality rate
 - (B) Death rate
 - (C) Birth rate
 - (D) Fertility rate
- 4 Age Structure is the number of people:
 - (A) in different age groups
 - (B) Living in a particular area
 - (C) Both a & b
 - (D) None of the above
- 5 The Micro-economic Household theory of fertility considers children in LDCs:
 - (A) as consumer goods
 - (B) As investment goods
 - (C) As producer goods
 - (D) None of the above
- 6 The total fertility rate is:
 - (A) The likelihood of having a birth in a given year
 - (B) The number of births divided by the total population
 - (C) The number of births to women divided by the female population
 - (D) The number of children a woman is likely to bear in her lifetime.
- 7 Malthus predicted a global crisis involving:
 - (A) war
 - (B) Starvation
 - (C) Economic deprivation
 - (D) Poverty
- 8 Malthus argued that the poor would always remain poor because:
 - (A) population growth tends to outrun growth of food production
 - (B) They do not save enough
 - (C) There are not enough resources to educate them
 - (D) all of the above
- 9 Malthus' theory was that population:
 - (A) Increased proportionally to economic growth
 - (B) Increased geometrically outstripping food supply which grew arithmetically
 - (C) Increased stagnantly with food supply and economic development
 - (D) Increased disproportionately, surpassing agricultural production

- 10 The Malthusian theory of population proved:
- (A) entirely correct for human behaviour
 - (B) Overly pessimistic about future productivity increases
 - (C) that food output would decline with population growth
 - (D) none of the above
- 11 Children have costs and benefits to parents and:
- (A) fathers and mothers share these equally
 - (B) The impact on family income is always negative, so they are viewed as consumer durables
 - (C) There is a trade-off to parents between quantity and quality of children
 - (D) The income elasticity of demand for children is strongly negative
- 12 A stationary population is when population is:
- (A) increasing at an increasing rate
 - (B) decreasing
 - (C) zero
 - (D) 100%
- 13 Demographic Transition theory states that as a country becomes industrialized:
- (A) the death rate declines first and then the birth rate
 - (B) the birth rate and death rate decline together
 - (C) the death rate declines, but not the birth rate
 - (D) neither birth nor death rates decline
- 14 In the theory of demographic transition, the rate of growth of population is likely to increase in:
- (A) Period 1
 - (B) Period 11
 - (C) Period 111
 - (D) Period 1 & 11
- 15 When the population growth rate of the economy becomes greater than the achievable economic growth, it is known as:
- (A) Population Explosion
 - (B) Population Trap
 - (C) Population Crisis
 - (D) None of the above
- 16 As migration takes place, the per capita income of the workers:
- (A) At first rises, then falls
 - (B) At first falls, then rises
 - (C) Falls continuously
 - (D) Rises continuously
- 17 According to Harris-Todaro, creating urban jobs by expanding industrial output:
- (A) is insufficient for solving the urban unemployment problem
 - (B) will generate capital intensive technologies
 - (C) will generate more government revenue through urban wages
 - (D) induces government to increase minimum wages

- 18 In the Harris-Todaro model, in equilibrium, the expected urban wage rate will be
- (A) Greater than the rural wage rate
 - (B) Equal to the rural wage rate
 - (C) Less than the rural wage rate
 - (D) none of the above
- 19 Dual economies are countries:
- (A) with double capital and labour
 - (B) with a modern manufacturing sector as well as a traditional agricultural sector
 - (C) that specialise in labour intensive products
 - (D) with foreign owned and domestically owned capital
- 20 Who formulated the theory of circular and cumulative causation which explains the perpetuation of underdevelopment through growing inequalities between developed and underdeveloped countries?
- (A) Lewis
 - (B) Gunnar Myrdal
 - (C) B. Higgins
 - (D) J. M. Boeke
- 21 With which of the following kinds of dualism is Higgins particularly associated?
- (A) Technological dualism
 - (B) Geographical dualism
 - (C) Financial dualism
 - (D) Social dualism
- 22 According to the inverted U-hypothesis, as economies develop:
- (A) average household incomes first fall and later rise
 - (B) Industry's share of GNP first rises and later falls
 - (C) Income inequality first rises and later falls
 - (D) Population growth first rises and later falls
- 23 As economic development proceeds, income inequality tends to follow:
- (A) a convex curve
 - (B) A L-shaped curve
 - (C) An inverted U-shaped curve
 - (D) A S-shaped curve
- 24 The inverted U-hypothesis of development is put forward by
- (A) Simon Kuznets
 - (B) Solow
 - (C) Meade
 - (D) A.C. Pigou
- 25 Environment protection:
- (A) Adversely affects economic growth
 - (B) promotes sustainable development
 - (C) exacerbates poverty
 - (D) None of the above
- 26 Many environmental resources are public goods, which are characterised by:
- (A) rivalry and exclusion in consumption
 - (B) Non-rivalry and non-exclusion in consumption
 - (C) Rivalry but non-exclusion in production
 - (D) Non-rivalry but exclusion in usage

- 27 Air pollution from automobile exhausts and water pollution from steel plants are examples of:
- (A) External economies
 - (B) negative externalities
 - (C) internal spill over
 - (D) Social distortion
- 28 Progress that meets the needs of the present without compromising the ability of the future generations to meet their own needs is:
- (A) The tragedy of commons
 - (B) net primary productivity
 - (C) the impossibility theorem
 - (D) sustainable development
- 29 The concept of sustainable development was first given by:
- (A) Bruntland
 - (B) Kindleberger
 - (C) Raul Peribisch
 - (D) Keynes
- 30 The Greenhouse effect is the phenomenon by which:
- (A) Biological diversity is dominant in agricultural production
 - (B) The globe's water pollution affects plankton
 - (C) The earth's atmosphere traps infrared radiation
 - (D) Climate changes occur naturally in the forests
- 31 Which of the following global change is caused by climate change?
- (A) Sea level rise
 - (B) Rise in population growth rate
 - (C) Increase in urbanisation
 - (D) None of the above
- 32 Urban development can:
- (A) Reduce the risk of environmental hazards
 - (B) Neutralise the risk of environmental hazards
 - (C) magnify the risk of environmental hazards
 - (D) none of the above
- 33 Resources which need to be conserved before they become depleted are:
- (A) renewable resources
 - (B) non-renewable resources
 - (C) human resources
 - (D) material resources
- 34 The main domestic source of savings in LDCs is:
- (A) government savings through budget surplus
 - (B) corporate retained earnings
 - (C) savings by households
 - (D) savings by public sector enterprises

- 35 Which of the following is a characteristic of foreign investment?
- (A) the capital importing country has to pay interest
 - (B) foreign investor exercises de facto control over the interest of the capital importing country
 - (C) it is a portfolio investment in stock market
 - (D) it is investment made by foreign investor in government securities
- 36 Foreign Direct Investment is a form of:
- (A) Foreign assistance
 - (B) Assistance from IMF
 - (C) Assistance from Asian Development Bank
 - (D) Foreign capital
- 37 Aid or ODA (Official Development Assistance) includes:
- (I) Development Grants
 - (II) loans with at least 25% grant element
 - (III) military assistance
 - (IV) technical co-operation
- (A) I & II only
 - (B) I, II & III only
 - (C) I, II & IV only
 - (D) I, II, III, IV
- 38 Project Aid is an example of:
- (A) untied aid
 - (B) net flow of capital
 - (C) general purpose aid
 - (D) tied aid
- 39 Change in the rates of tax affects:
- (A) disposable income
 - (B) consumption expenditure
 - (C) investment expenditure
 - (D) All of the above
- 40 Which of the following can be used to reduce inequalities in income and wealth in developing countries?
- (A) proportional income tax
 - (B) highly progressive income tax
 - (C) highly regressive tax system
 - (D) moderate taxation policy
- 41 Taxation policy can be used to influence the pattern of investment by:
- (A) by providing tax concessions to high priority industries
 - (B) implementing uniform taxation policy for all sectors
 - (C) imposing high rate of tax on non-essential industries
 - (D) Both a & b
- 42 What are the implications of the Prebisch-Singer hypothesis?
- (A) Developing countries should seek to export raw materials and labour-intensive goods
 - (B) Trade will be always mutually beneficial between developed and developing countries
 - (C) Price of primary commodity declines relative to the price of the manufactured commodities over the long run
 - (D) None of the above

- 43 Which of the following is an important conduit for transmission of gains of international trade from developed countries to developing countries?
- (A) exports
 - (B) imports
 - (C) foreign investment
 - (D) terms of trade
- 44 Import substitution implies:
- (A) reduction of imports
 - (B) production of imported goods within the country
 - (C) imposition of export quota
 - (D) complete ban on imports
- 45 An import quota is a:
- (A) legal limit on the quantity of good that can be imported per year
 - (B) legal requirement that a specified percentage of a final good's value must be produced domestically
 - (C) Both of the above
 - (D) None of the above
- 46 A tariff is:
- (A) a tax on imports only
 - (B) a tax on exports only
 - (C) on either imports or exports
 - (D) a luxury tax
- 47 Globalisation has improved the living structure of:
- (A) all the people
 - (B) workers of developing countries
 - (C) people of developed countries
 - (D) None of the above
- 48 Which of the following types of inflation favours economic development?
- (A) hyper inflation
 - (B) creeping inflation
 - (C) running inflation
 - (D) walking inflation
- 49 Which organisations strain on the liberalisation of foreign investment and foreign trade?
- (A) International Monetary Fund
 - (B) World Health Organisation
 - (C) World Trade Organisation
 - (D) International Labour Organisation
- 50 Which of the following is not a characteristic feature of globalisation?
- (A) abolition of quantitative restrictions
 - (B) disinvestment of public sector undertaking
 - (C) adoption of free trade policy
 - (D) abolition of restrictions on movement of goods and capital between the home country and the rest of the world

