SSR DEGREE COLLEGE, NIZAMABAD(5029)

DEPARTMENT OF ECONOMICS
SEMESTER-II INTERNAL-1 EXAM QUESTION BANK

Fill in the Blanks

1. Macro economics is derived from the _____ (Greek word macros)

2. The term micro and macro first used by Ragner frish in _____ (1933)

3. Macro means _____ (large)

4. Macro economics is also called as _____(Income and employment)

5. Micro economics is also called as _____ (price theory)

6. National income is the value of goods and services produced in a _____(country)

7. Macro economics is introduced by by _____ (J M Keynes)

8. How many types of methods are available for estimating national income _____ (Three)

9. Gross National Product GNP = _____ (C + I G (X – M)

10. NNP = _____ (GNP - Depreciation)

11. GDP full form _____ (Gross Domestic Product)

12. NDP full form _____ (Net Domestic Product)

13. Gross National Product is the total value of Goods and services produced in a year at the _____price (Market)

14. Per capital Income = _____ (National Income / Total Population)

15. All the personal income will not be _____ income (disposable)

16. National income is calculated by _____ the quantities (multiplying)

17. Gross Domestic Product = _____ (NDP – Depreciation)

18. In the economic system flow of _____ is a circular flow (Income)

19. How many types of circular flow of income _____ (2)

20. Income flows to the household sector from the _____ sector (business)

21. The classical economists did not devote any attention to the Theory of _____ (employment)

22. "Supply creates its own demand" stated by _____ (J B Say)

23. Full employment is the normal condition of the free _____ (Market)

24. Effective demand is that which equates aggregate demand and aggregate _____ (supply)

25. The General theory of employment interest and money is introduced by _____ in his book (J M Keyne26. Micro economics is introduced by _____ (Alfred Marshall)

27. Consumption function is the relationship between income and _____ (consumption)

28. Keynes stated that as income increase consumption also _____ (increases)

29. Multiplier is the ratio of the changes in income to the changes in _____ (investment)

30. MPC full form _____ (Marginal Propensity to Consume)

31. Multiplier (k) = $\frac{1}{1-MPC}$

32. The principles of acceleration is generally associated with the name of _____ (J M Clark)

33. According to the classical economists unemployment may occur in the _____(short run)

34. Production of goods and services involves _____ (cost)

35. MPC = $\frac{\Delta C}{\Delta Y}$

36. MEC full form _____ (marginal efficiency capital)

37. Income method used to production to distribution _____ (Rent, wages, interest, profit)

38. Factors of production are _____ types (four)

39. Who is called as Father of Economics _____ (Adam Smith)

40. Economics is divided into two types _____ (micro and macro)

Short Answer Questions

41. **Micro Economics -**

micro economics is derived from the Greek word Micros. Micro means small

42. Macro Economics

Macro economics is derived from the Greek word Macros. Macro means large

43. What is National Income

National income is the value of goods and services produced in a country

44. Production Method

The method is also known as commodity service method or inventory method

45. How many types of National income methods ?

Production method, Income method, Expenditure method

46. What is the name of the book written by Keynes

The General Theory of Employment, Interest and Money

47. Effective demand

 Effective demand is the basis of Keynes Theory of Employment Aggregate demand and supply

48. What is meant by Investment multiplier

Multiplier is the ratio of the change in income to the change in investment

49. Acceleration

 When the initial investment is increased incomes will accelerate

50. Factors of procution

Land, Labour, Capital and employment