

Examrace

Competitive Exams: Economics MCQs (Practice_Test 13 of 122)

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1. The three offer curves, viz, a_0 , a_1 , a_2 , of country a cut the offer curve of b at points a, b, c which is equivalent to international terms of trade as shown in the diagram below:
From the above, it can be easily deduced that
 - a. a reaps all gains from trade at all points, viz a, b, c
 - b. a reaps all gains from trade at point c only
 - c. both a and β share gains from trade reciprocally
 - d. both a and β gain from trade, but a gains more than β

2. Consider the following statements: Foreign indirect investment includes
 - a. global Depository receipts and Foreign Currency Convertible Bonds.
 - b. Foreign Institutional investment.
 - c. Non-resident External Deposits.
 - d. Investment of a Multiplier Company in a domestic power project.
 Of these statements
 - a. 1 and 2 are correct
 - b. 1 and 3 are correct
 - c. 1,2 and r are correct
 - d. 2,3 and 4 are correct

3. Which one of the following pairs is not correctly matches?
 - a. Taussig: Barter terms of trade
 - b. Prebisch: Deteriorating terms of trade
 - c. Marshall: Offer curves
 - d. Walras: Dumping conditions

4. Which one of the following pairs is not correctly matched?
 - a. Special duty 褻 Duty based on quantity

- b. Autarchy 褻Absence of trade
 - c. Quota 褻Non-tariff distortion
 - d. Optimum tariff 褻Exchange control
5. Which one of the following pairs is correctly matched?
- a. Exchange rate change 褻Lowering of the value of a country's currency in terms of other currencies.
 - b. Exchange rate change 褻Decline in the value of a country's currency in terms of other currencies.
 - c. Exchange rate change 褻Increase in the value of a country's currency in terms of other currencies.
 - d. Exchange rate change 褻Increase in a country's foreign exchange reserves
6. The rate of exchange at equilibrium is one that maintains
- a. the balance between imports and exports
 - b. the balance of payments at equilibrium, over a certain period, without any net change in the country's foreign exchange reserves.
 - c. the balance of payments all equilibrium with domestic deflationary policy
 - d. satisfactory foreign-exchange-reserve at the disposal of the monetary authority
7. Which of the following items may be included in the current Account part of the bland of payment statement?
- a. merchandise exports.
 - b. Foreign tourists expenditure in home country.
 - c. Foreign short-term investment in home country.
 - d. Banking, insurance and transport services
 - e. Income received on investments abroad.

Select the correct answer using the codes given below:

- a. 1 alone
 - b. 1,2 3 and 4
 - c. 1,2, 4 and 5
 - d. 1,3 and 4
8. Meteorologists average the maximum and the minimum readings of temperature instead of averaging the hourly readings, assuming that the variation of temperature is

- a. symmetric over the day
 - b. uniform throughout the day
 - c. continuous
 - d. un-predictable
9. Which one of the following is true when a variable has two values?
- a. Arithmetic mean of geometric mean and harmonic means is equal to the arithmetic mean of the distribution
 - b. Geometric means of arithmetic means and harmonic means is equal to the geometric mean of the distribution
 - c. Harmonic me and of arithmetic mean and geometric means is equal to the harmonic mean of the distribution.
 - d. All means are equal to each other
10. Given that l: Literacy rate of the whose society lf: Literacy rate for female population lm: Literacy rate of male population and s: Ratio between female and total population. Which one of the following is correct?
- a. $l = lf s + lm (1 - s)$
 - b. $1 f m l = l s + l + s$
 - c. $1 f m l l s l s s = --- + \pm + \underline{\hspace{2cm}}$
 - d. None of the above
11. L V Charlier collected data of the stork population in Oslo and the number of babies born in the city in 40 years. He found the correlation coefficient between both to be 0.86. From this it can be inferred that
- a. the correlation is not every high
 - b. the correlation is very high
 - c. the correlation leads to a mysterious connection between the rate of stork an human population in Norway.
 - d. the correlation is spurious
12. In case of high income inequality, the income distribution is
- a. a symmetric distribution
 - b. an U-shaped distribution
 - c. an inverted J-shaped distribution
 - d. None of the above

13. Consider the following statements:

- a. Histogram is an area diagram.
- b. Class-frequencies can be interpolated from the histogram.

Of these statements

- a. 1 alone is correct
- b. 2 alone is correct
- c. 1 and 2 are correct
- d. Neither 1 nor 2 is correct

14. If the price data for 1970 and 1990, and quantity data for 1990 are given, which type of index (taking 1990 as the base year) can be constructed?

- a. Marshall-Edgeworth Index
- b. Fisher Index
- c. Paasche Index
- d. Laspey's Index

15. The following economists are associated with the 'exploitation/Dependency theory'

- a. Paul Baran
- b. A. G. Frank
- c. S. Amin
- d. G. Palma

Which one of the following is the correct chronological order of them?

- a. 1,2, 3,4
- b. 2,1, 3,4
- c. 2,1, 4,3
- d. 1,2, 4,3