

PPSC Economics Topic 8 Development Economics

Sr	Questions	Answers Choice
1	Rule of innovation in economic growth is very important according to.	A. Adam smith B. Richardo C. Schumpeter D. Rostow
2	The main assumption of Kaldor model is that the economy operates at the level of .	A. Full employment B. Above than full employment C. Less than full employment D. None of above
3	According to Nurkse a balance growth a necessary to.	A. Develop resources B. Develop capital C. Break vicious circle of poverty D. Develop infrastructure.
4	The hidden momentum of population growth is caused by	A. the demographic transition B. Population age structure C. the opportunity coast of woman's time D. Children contribution to income
5	The fall in the birth ratio will affect the process of economic growth according to	A. Schumpeter B. A.H.Nansen C. Karl Marix D. M.P. Todaro
6	What explains Solow's surprise.	A. Diminishing returns to capital B. Insufficient assistance to developing countries C. Weak institutions D. low labor productivity
7	Historically countries at early stages of rapid economics development have tended to experience.	A. Trade deficits and an excess of investment over domestic saving. B. Trade surpluses and an excess of investment over domestic saving C. Trade deficits and an increase of domestic saving over investment. D. Trade surpluses and an excess of domestic saving over investment.
8	One of the following is not a necessary characteristics of UDCs	A. Low saving ratio B. Low capital formation C. Disguised unemployment D. Insufficient human resources.
9	An Invention is set to be neutral when it raises the marginal productivities of labor and capital in the same proportion is said by	A. Rostow B. Todoro C. Solow D. Haicks
10	According to the balances growth theory	A. UDCs can be developed by foreign aid B. UDCs can be developed by national saving C. UDCs have to start from beginning D. DCS are responsible for the development of UDCs
11	in UDCs a potential resource of saving is	A. Structural unemployment B. Over employment C. Domestic saving D. Disguised unemployment
12	R.M. Solow in his model assumes that the prices and wages are.	A. Flexible B. Non flexible C. Rigid D. None of these
13	All the UDCs of the world are homogeneous is broad sense and.	A. Heterogeneous in narrow sense B. Homogenous in narrow sense also C. Homogenous in human resources D. Homogenous in natural resources
		A. Balance growth theory

14	Small size of market is the primary cause of under development according to.	B. Unbalance growth theory. C. Big push theory D. Dualistic theories
15	Economic development can be achieve through stages, is the theory of.	A. Rosenstein Rodan B. Leibstein C. W.W. Rostow D. M.P. Todaro
16	Which of the following is not viewed by the text as a major political obstacle to development.	A. Growth oriented polices may damage the short term interest of influential groups B. Civil war C. Corruption D. Departing from strict laissez faire principles
17	In the Harrod - Domar equation $g = s/v$, v is defined as.	A. the value of the country a capital stock B. The ratio of the country's capital stock to its output. C. The change in the country's capital stock D. None of the above
18	The Harrod -Domar models are based on the restrictive assumption of.	A. Increasing saving income ratio B. Decreasing saving income ratio C. Low saving income ratio D. Constant saving income ratio
19	In developing countries the co existence of modern and tadeonal method of production in urban and ruler sector is called.	A. Dualism B. Under employment C. Under estimation of resources D. None of these
20	The theory of Ruler -urben migraines presented by.	A. W.W. Roslow B. M.P.Todaro C. Simon Kuznets D. Nukse