

PPSC Economics Topic 8 Development Economics

Sr	Questions	Answers Choice
1	The developing countries need to have a big push or big comprehensive package for economic development is the view of.	A. Nurkse B. M.P Todaro C. Rosenstein Rodan D. Leibenstein
2	According to solo growth model capital and labor are.	A. Not substitution of each other B. Substitution of each other C. Substitution in a way D. All of these
3	Which of the following is NOT characteristics of underdeveloped nations.	A. Low per capita income B. Low growth rate of GNP C. General needs for substantive investment in the infrastructure D. Low population growth rates
4	Theories of surplus labor describe that	A. In UDCs unemployment rate is high B. The margin productivity labor is near to zero C. Overpopulation is much more in UDCs D. DCs have less unemployment
5	The natural rate of unemployment is generally thought of as the	A. Ratio of the frictional unemployment rate to the cyclical unemployment rate. B. Sum of fictional unemployment and cyclical unemployment. C. Sum of frictional unemployment and structural unemployment. D. sum of structural unemployment and cyclical unemployment.
6	According to Keynes the exogenous factors like technology increase in population and discovery of new markets are the reasons. of.	A. Underemployment B. Structural dualism C. Low capital formation D. Secular stagnation
7	Economic development can be achieved through stages, is the theory of.	A. Rosenstein Rodan B. Leibenstein C. W.W. Rostow D. M.P. Todaro
8	If for the output of worth 1 million the stock of capital worth 4 million is required this will be.	A. capital profit ratio B. Output profit ration C. Capital output ratio D. Capital input ratio
9	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
10	R.M. Solow in his model assumes that the prices and wages are.	A. Flexible B. Non flexible C. Rigid D. None of these
11	The concept of carbon credit originated from which one of the following.	A. Earth summit rio de janeiro B. Kyoto protocol C. Montreal protocol D. G-8 summit Helligendamm
12	Which of the following is not viewed by the text as a major political obstacle to development.	A. Growth oriented policies may damage the short term interest of influential groups B. Civil war C. Corruption D. Departing from strict laissez faire principles
13	the relation of productivity and income is discussed by Nurkse in.	A. Vicious circle of poverty B. balance growth theory C. Unbalance growth theory D. None of these

		D. Big push theory
14	The Lorenz curve is used to show relative in equality in the distribution of.	A. Wages B. Income C. Wealth D. Profit
15	The fall in the birth ratio will affect the process of economic growth according to	A. Schumpeter B. A.H.Nansen C. Karl Marx D. M.P. Todaro
16	Which of the following could be a reason for the problem of lack of jobs being overestimated.	A. the existence of disguised unemployment B. People are underemployment C. People holding only one job D. The existence of child labour
17	Economic development in UDCs is not possible without.	A. Foreign aid B. Capital formation C. Natural resources D. Domestic saving
18	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
19	Following is the major source for a country to meet the deficiency of capital	A. Domestic saving B. Foreign aid C. Domestic barrowing D. All of these
20	Adam smith includes in the model of economic growth following factors of production.	A. Labor only B. Capital only C. Labor and capital D. Labor capital and land