

Introduction to Macroeconomics

Choose the correct alternative.

Question 1.

What is known as the study of individual units?

- (a) Macroeconomics
- (b) Microeconomics
- (c) Income and employment theory
- (d) Development economics

▼ Answer

Answer: (b) Microeconomics

Question 2.

The study of aggregates is known as

- (a) Macroeconomics
- (b) Microeconomics
- (c) Price theory
- (d) Factor price determination

▼ Answer

Answer: (a) Macroeconomics

Question 3.

What is the name of the book written by J.M. Keynes?

- (a) The Wealth of Nation
- (b) The General Theory of Employment, Interest, and Money
- (c) Political Economy
- (d) None of these

▼ Answer

Answer: (b) The General Theory of Employment, Interest, and Money

Question 4.

When was the famous book of Prof. Keynes published?

- (a) 1930
- (b) 1931
- (c) 1936
- (d) 1940

▼ Answer

Answer: (c) 1936

Question 5.

When did the great depression occur?

- (a) 1929-30
- (b) 1934-35
- (c) 1938-39
- (d) 1941-42

▼ [Answer](#)

Answer: (a) 1929-30

Question 6.

Who is known as the father of modern macroeconomics?

- (a) Adam Smith
- (b) J. M. Keynes
- (c) Samuelson
- (d) Hicks

▼ [Answer](#)

Answer: (b) J. M. Keynes

Question 7.

Mr. Skund Kumar wants to study the national income. Which branch of economics will he have to study?

- (a) Microeconomics
- (b) Price theory
- (c) Factor price determination
- (d) Macroeconomics

▼ [Answer](#)

Answer: (d) Macroeconomics

[Fill in the blanks with the correct word.](#)

Question 8.

The mother of all economic problems is _____

▼ [Answer](#)

Answer: scarcity

Question 9.

Macroeconomics is defined as that branch of economics which studies economic activities of an economy as a _____

▼ [Answer](#)

Answer: whole

Question 10.

_____ was the founding father of modern economics.

▼ [Answer](#)

Answer: Adam Smith

Question 11.

Keynes book on Income and Employment came to light in the year _____

▼ [Answer](#)

Answer: 1936

Question 12.

Aggregate Demand is the sum total of consumption and _____

▼ [Answer](#)

Answer: investment

Question 13.

The period of the Great Depression was from _____

▼ [Answer](#)

Answer: 1929-33

[State whether the following statements are True or False.](#)

Question 14.

Capital, land, labour, and entrepreneur are the factors of production.

▼ [Answer](#)

Answer: True

Question 15.

The expenses which raise productive capacity are known as investment expenditure.

▼ [Answer](#)

Answer: True

Question 16.

The domestic country may sell goods to the rest of the world. It is called imports.

▼ [Answer](#)

Answer: False

Question 17.

The capitalist economy works for social welfare.

▼ [Answer](#)

Answer: False

Question 18.

Microeconomics deals with the aggregate economic variable of an economy.

▼ [Answer](#)

Answer: False

Question 19.

'Save more' is always a virtue.

▼ [Answer](#)

Answer: False

[Match the alternatives given in Column II with respective terms in Column I.](#)

Question 20.

Column I	Column II
(i) Macroeconomic variable	(a) 1936
(ii) Microeconomic variable	(b) Rate of inflation
(iii) Capitalism	(c) Private ownership
(iv) The Great Economic Depression	(d) Demand for cars
(v) General Theory of Employment, Interest, and Money	(e) 1929

▼ [Answer](#)

Answer:

Column I	Column II
(i) Macroeconomic variable	(b) Rate of inflation
(ii) Microeconomic variable	(d) Demand for cars
(iii) Capitalism	(c) Private ownership
(iv) The Great Economic Depression	(e) 1929
(v) General Theory of Employment, Interest and Money	(a) 1936
