

ECONOMICS Max marks 25

1. What is the shape of Keynesian Aggregate supply before the level of full employment is attained?
2. According to the According to classical economists, real wage rate is \_\_\_\_\_\_ to the Marginal Productivity of Labour.
3. What is the cause of Keynesian perfectly elastic Aggregate Supply curve?
4. According to classical economists, there always exists \_\_\_\_\_\_ equilibrium in the economy.
5. What will be APC when APS = 0?
6. What is a fiscal measure of correcting deficient demand?
7. Which is the measure of correcting excess demand?
8. Suppose in a hypothetical economy, the income rises from ₹ 5,000 crores to ₹ 6,000 crores. As a result, the consumption expenditure rises from ₹ 4,000 crores to ₹ 4,600 crores. Marginal propensity to consume in such a case would be \_\_\_\_\_\_
9. On the basis of government law, the compulsory payment made by the public is known as \_\_\_\_\_\_\_\_\_
10. If the marginal propensity to consume is greater than the marginal propensity to save, the value of the multiplier will be----------------
11. Supply creates its own Demand. Who gave this law?
12. Who is the author of the book ‘General Theory of Employment, Interest, and Money’?
13. APC + APS = ?
14. IF MPC = 0.5, then Multiplier (k) will be:
15. What is the determining factor of Equilibrium Income in the Keynesian Viewpoint?
16. The consumption function of an Economy is C= 100+ 0.5Y Show the negative relation between income and APC 3
17. Calculate MPC and MPS 3

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| Income | 400 | 500 | 600 | 700 |
| Consumption | 240 | 320 | 395 | 465 |

1. What is the difference between ex ante investment and ex post investment 4