Olympiad Aptitude Test
Economics
Class XII

1-Demand for a commodity refers to:
    a. Need for the commodity
    b. Desire for the commodity
    c. Amount of the commodity demanded at a particular price and at a particular time
    d. Quantity demanded of that commodity

2-Which among the following statement is INCORRECT?
    a. On a linear demand curve, all the five forms of elasticity can be depicted'
    b. If two demand curves are linear and intersecting each other then coefficient of elasticity would be same on different demand curves at the point of intersection.
    c. If two demand curves are linear, and parallel to each other then at a particular price the coefficient of elasticity would be different on different demand curves.
    d. The price elasticity of demand is expressed in terms of relative not absolute, changes in Price and quantity demanded'

3-The horizontal demand curve parallel to x-axis implies that the elasticity of demand is:
    a. Zero
    b. Infinite
    c. Equal to one
    d. Greater than zero but less than infinity

4-Income elasticity of demand is defined as the responsiveness of:
    a. Quantity demanded to a change in income
    b. Quantity demanded to a change in price
    c. Price to a change in income
    d. Income to a change in quantity demanded

5-The cost of one thing in terms of the alternative given up is called:
    a. Real cost
    b. Production cost
    c. Physical cost
    d. opportunity cost

6-The economist's objections to monopoly rest on which of the following grounds?
    a. There is a transfer of income from consumers to the monopolist
    b. There is welfare loss as resources tend to be misallocated under monopoly
    c. Only A is correct
    d. Both A and B are correct

7. The offer curves introduced by Alfred Marshall, helps us to understand how the _____ is established in international trade.
   a. Terms of trade
   b. Equilibrium price ratio
   c. Exchange rate
   d. Satisfaction level

8. The producer's demand for a factor of production is governed by the ___ of that factor.
   a. Price
   b. Marginal Productivity
   c. Availability
   d. Profitability

9-Which among the following statements is INCORRECT?
   a. Coefficient of correlation can be computed directly from the data without measuring deviation.
   b. Measures of Dispersion are also called averages of the second order.
   c. Standard deviation can be negative.
   d. Mean deviation can never be negative.

10-One of the methods to find out Mode is:
   a. Mode = 3 Median + 2 Mean
   b. Mode=3 Median – 3 Mean
   c. Mode = 2 Median – 3 Mean
   d. Mode=3 Median – 2 Mean

11-Coefficient of Correlation (r) is significant, if:
   a. r > 5 times Probable Error
   b. r < 6 times Probable Error
   c. r > 6 times Probable Error
   d. r = 6 times Probable Error

12-Fisher's ideal index number is:
   a. Arithmetic mean of Laspeyre's and Paasche's index
   b. Harmonic mean of Laspeyre's and Paasche's index
   c. Geometric mean of Laspeyre's and Paasche's index
   d. None of the above

13-Who is the 'lender of the last resort' in the banking structure of India?
   a. State Bank of India
   b. Reserve Bank of India
   c. EXIM Bank of India
   d. Union Bank of India

14-In order to control credit, Reserve Bank of India should:
   a. Increase CRR and decrease Bank rate
   b. Decrease CRR and reduce Bank rate
   c. Increase CRR and increase Bank rate
   d. Reduce CRR and increase Bank rate

15-Credit creation power of the commercial banks gets limited by which of the following?
   a. Banking habits of the people
   b. Cash reserve ratio
   c. Credit policy of the central bank
   d. All of the above

16-What is meant by Autarky in international trade?
   a. Monopoly in international trade
   b. Imposition of restrictions in international trade
   c. Removal of all restrictions from international trade
   d. The idea of self sufficiency and no international trade by a country

17-Which among the following is a cause of inflation?
   a. Deficit financing
   b. Rise in external loans
   c. Unfavourable balance of payment
   d. A hike in the CRR by the central bank of the country

18-Who propounded the opportunity cost Theory of international trade?
   a. Ricardo
   b. Marshall
   c. Heckscher & Ohlin
   d. Haberler

19-Which among below is NOT a correct statement?
   a. Bretton Woods conference gave birth to two international organizations-
   b. Theory of Absolute Advantage in international trade is given by Adam Smith'
   c. Pure and perfect competition is the same market structures.
   d. Mint par theory of exchange rate determination is applicable in countries under gold standard.

20-The new world Trade organization (WTO), which replaced the GATT came into effect from___
   a. 1ST January 1991
   b. 1st January 1995
   c. 1st April 1994
   d. 1st May 1995