CUET PG Economics PYQ: 2022 (Without Answer Key)

1.	Bandwagon effect makes demand more ________
Inelastic	Elastic
Remains same	Unitary elastic

2.	With reference to the Bertrand model, which of the following is correct?
The duopolists recognize their interdependence	It explains price rigidity
Each duopolist assumes that the other keeps its price constant	Each duopolist assumes that the other keeps its quality constant

3.	If the demand for agricultural products is inelastic, then
As the prices decrease, the revenues earned by producers increase	As the prices decrease, the revenues earned by producers decrease
The percentage decrease in prices is lower than the percentage increase in demand	Rising prices do not lead to differentiation in producers income

4.	A fall in the price of a commodity whose demand curve is a rectangular hyperbola causes total expenditures on the commodity to
Increase	Decrease
Remain unchanged	Increase with constant rate

5.	The Engel curve for a Giffen good is
Negatively sloped	Positively sloped
Vertical	Horizontal

6.	In the case of price leadership by the dominant firm, all the firms in the purely oligopolistic industry will produce their best level of output
Always	Never
Sometimes	In short run

7.	The Golden Rule rate of savings refers to
that level of savings which is the maximum possible achievable in an economy	that level of savings rate where the consumption is maximised at the steady state
that level of savings rate where the consumption is minimised at the steady state	any level of savings rate

8.	The best or optimum level of output for a perfectly competitive firm is given by the point where
MR equals MC	MR equals AC
MR exceeds MC by the greater amount	MR equals MC and MC is rising

9.	Aggregate demand is -
Negatively related to the price level because a decline in the price level has a negative effect on the demand for output.	Negatively related to the price level because a decline in the price level has a positive effect on the demand for output.
Positively related to the price level because a decline in the price level has a negative effect on the demand for output.	Positively related to the price level because a decline in the price level has a positive effect on the demand for output.

10	The demand for money is -
Positively related to output and the rate of interest.	Inversely related to output and the rate of interest.
Inversely related to output and positively related to the rate of interest.	Positively related to output and inversely related to the rate of interest.

11	The user cost of capital is:
The real rate of interest	The nominal rate of interest
The real rate of interest plus the rate of depreciation	The nominal rate of interest plus the rate of depreciation

12.	When $\alpha = \frac{3}{4}$ and $\beta = \frac{1}{4}$ for the Cobb Douglas production function, returns to scale are
Constant	Increasing
Decreasing	First increasing and then decreasing

13	The natural rate of unemployment equals the sum of:
Frictionally and structurally unemployed	Frictionally and cyclically unemployed
Structurally and cyclically unemployed	Frictionally, structurally and cyclically unemployed

14	Which of the following statements is correct?
A variable is endogenous when its value is determined by the forces outside the model.	A change in an exogenous variable is classified as an autonomous change.
A variable is exogenous when its value is determined by the forces within the model.	A variable is autonomous when its value is determined by the forces within the model.

15	According to the Phillips curve, unemployment will return to the natural rate when:
Normal wages are equal to expected wages.	Real wages are back at long-run equilibrium level.
Nominal wages are growing faster than inflation.	Inflation is higher than the growth of nominal wages.

16	The Coefficient of Non-determination is equal to -
$\frac{Explained\ variance}{Total\ Variance}$	$\frac{Unexplained\ variance}{Total\ Variance}$
$1 + \frac{Explained\ variance}{Total\ Variance}$	$1 + \frac{Unexplained\ variance}{Total\ Variance}$

17	If the two lines of regression are perpendicular to each other then the value of coefficient of correlation is -
0	+ 1
-1	2

18	The number of terms in the expansion of the binomial distribution $(a+b)^4$ is -
4	5
6	3

19	What is the integral of $\mathrm{cos}ec^2 x$ with respect to x?
$\tan x + C$	$sec\ x + C$
$-\tan x + C$	$-cot\ x + C$

20	For the $set\ A = \{3, 4\}$, find Power Set P(A)
$\{\{3\}, \{4\}\}$	$\{\{3\}, \{4\}, \{3, 4\}\}$
$\{\phi, \{3\}, \{4\}\}$	$\{\phi, \{3\}, \{4\}, \{3, 4\}\}$

21	If the international terms of trade settle at a level that is between each country's opportunity cost, then
There is no basis for gainful trade for either country	Both countries gain from trade
Only one country gains from trade	One country gain and the other country loose from trade

22	Haberler's theory of opportunity cost is represented by
Indifference curve	Isoquants
Reaction curves	Production possibility curve

23	An exchange rate which also takes into account the relative prices of products in the countries being compared is known as-
Appreciation in exchange rate	Nominal exchange rate
Real exchange rate	Depreciation in exchange rate

24	Which of the following is consistent with the idea of expansionary fiscal policy?
The fact that government increases expenditure during recession.	The fact that the tax of unleaded petrol is lower than that on leaded petrol.
The fact that as people's income increase the amount that they pay in taxes also increases.	The fact that congestion charges reduce traffic in the city centres.

25	Find the minor of element 8 in the determinant $\Delta = \begin{vmatrix} 1 & 4 & 6 \\ 2 & 5 & 9 \\ 8 & 7 & 12 \end{vmatrix}$
6	-6
12	- 12

26	For the total cost function $C = 1000 + 120x + 14x^2 + x^3$, find marginal cost function.
$1000 + x + 14x^2 + 3x$	$120 + 28x + 3x^2$
$28x + 3x^2$	$120x^2 + 14x^3 + x^4$

27	If the value of standard deviation is 3 and that of arithmetic mean is 9 then find the value of coefficient of variation:
0.33%	33.33%
3.33%	0.03%

28	For an economy, the marginal propensity to consume is (3/4) and the marginal tax rate is (1/9), the value of multiplier is
3	$\frac{3}{36}$
$\frac{1}{3}$	12

29	In which year was the Kisan Credit Card started?
1995	1998
1994	2000

30.	If one of the regression coefficients value is greater than 1, then the value of the second regression coefficient must be -
Less than 1	Greater than 1
Equal to 1	Equal to 0

31	On the imposition of a tariff, the welfare of a country improves
Irrespective of any other factor	When the dead weight loss due to production and consumption distribution is greater than terms of trade gain
When the terms of trade gains is greater than the losses due to production and consumption distribution	Under no circumstances

32	In a symmetrical distribution the value of coefficient of Skewness is ________.
+ 1	- 1
0	3

33	Rural landless employment guarantee program was launched in the year _______.
1980	1982
1983	1985

34	Consumption: $C = 100 + 0.84$ Investment: $I = 50$ The output produced by the economy is 800. The level of unplanned inventories is
100	10
-10	150

35	Match List I with List II:

LIST I		LIST II	
A.	Investment Multiplier	I.	R. F. Kahn
B.	Employment Multiplier	II.	Milton Friedman
C.	Restatement of the quantity theory of money	III.	A. Laffer
D.	Supply side economics	IV.	J. M. Keynes

Choose the correct answer from the options given below:

A-IV, B-I, C-II, D-III	A-I, B-II, C-III, D-IV
A-IV, B-II, C-III, D-I	A-II, B-IV, C-III, D-I

36	Match List I with List II:

List-I	**List-II**
A. Vicious Circle of Poverty	I. Paul Rosentein Rodan
B. Development with unlimited supplies of labour	II. Gunnar Myrdal
C. Critical minimum effort thesis	III. W. Arthur Lewis
D. Asian Drama	IV. Ragnar Nurkse

Choose the correct answer from the options given below:

A-IV, B-II, C-I, D-III	A-II, B-III, C-I, D-IV
A-I, B-II, C-III, D-IV	A-IV, B-III, C-I, D-II

37	Under which Sustainable Development Goal, energy is included?
SDG 5	SDG 7
SDG 9	SDG 13

38	What has been the growth rate of the world economy in 2021?
2.6%	3.9%
4.8%	6.1%

39 Match List I with List II:

LIST I		LIST II	
A.	Canon of Taxation	I.	Alfred Marshall
B.	Infant Industry Argument	II.	Musgrave
C.	Differential Incidence	III.	Friedrich list
D.	Elasticity of demand	IV.	Adam Smith

Choose the correct answer from the options given below:

A-IV, B-I, C-III, D-II	A-III, B-IV, C-I, D-II
A-IV, B-III, C-II, D-I	A-II, B-III, C-I, D-IV

40	Ramesh and Suresh constructed their new home in this year. In the national income accounting this transaction is considered as
Inventory investment	Fixed investment
Consumption on durable goods	Consumption on semi-durable goods

41	Given below are two statements: **Statement I**: Narasimhan Committee recommended reduction of SLR (Statutory Liquidity Ratio) and CRR (Cash Reserve Ratio). **Statement II**: Narasimhan Committee recommended that directed credit programme should be promoted. In the light of the above statements, choose the correct answer from the options given below:

Both Statement I and Statement II are true	Both Statement I and Statement II are false
Statement I is true but Statement II is false	Statement I is false but Statement II is true

42	Given below are two statements: **Statement I**: Zamindari system was introduced by Lord Cornwallis. **Statement II**: Under Zamindari system village land were held jointly by communities. In the light of the above statements, choose the correct answer from the options given below:

Both Statement I and Statement II are true	Both Statement I and Statement II are false
Statement I is true but Statement II is false	Statement I is false but Statement II is true

43	Given below are two statements: one is labelled as Assertion A and the other is labelled as Reason R: **Assertion A**: There is automatic change in the net tax revenue when level of output changes. **Reason R**: Automatic stabilization moderate aggregate spending in times of boom and slow down. In the light of the above statements, choose the most appropriate answer from the options given below:

Both A and R are correct and R is the correct explanation of A	Both A and R are correct but R is NOT the correct explanation of A
A is correct but R is not correct	A is not correct but R is correct

44	Given below are two statements: one is labelled as Assertion A and the other is labelled as Reason R: **Assertion A**: India's public sector helped in the development of a sound industrial base. **Reason R**: Public sector is under state control. The role of state in formulating appropriate policies and providing financial and other support has helped the public sector. In the light of the above statements, choose the most appropriate answer from the options given below:

Both A and R are correct and R is the correct explanation of A	Both A and R are correct but R is NOT the correct explanation of A
A is correct but R is not correct	A is not correct but R is correct

45	Given below are two statements: one is labelled as Assertion A and the other is labelled as Reason R: **Assertion A**: Theory of social goods provides rationale for the allocation functions of the budgetary policy. **Reason R**: There are certain goods which are non-rival and these are important for maximizing social advantage. In the light of the above statements, choose the most appropriate answer from the options given below:

Both A and R are correct and R is the correct explanation of A	Both A and R are correct but R is NOT the correct explanation of A
A is correct but R is not correct	A is not correct but R is correct

46	Country A requires 2 units of labour to produce a unit of X and 5 units to produce a unit of Y; whereas country B requires 3 units of labour to produce a unit of X and 6 units to produce a unit of Y

A has absolute advantage in the production of good X as well as Y	B has absolute advantage in the production of both good X and Y
Though A has an absolute advantage in the production of both goods, it has a comparative advantage in the production of Y	Though B has an absolute advantage in the production of both goods, X and Y it has comparative advantage in the production of X

47	According to the Pareto Criterion, a movement from state A to state B is desirable:
if all agents are at least as well off in B as they were in A and at least one of them is better off.	if all agents are at least as well off in B as they were in A and no one is better off.
if the agents with lower welfare are found to improve their welfare in B in comparison to A even when those with higher level of welfare in A are found to witness decline in welfare.	if in B all the agents are having lower difference in their level of utilities.

48 Match List I with List II:

LIST I		LIST II	
A.	Industrial District	I.	H. Dalton
B.	Kinked Demand Curve	II.	A. Marshall
C.	Principles of maximum social advantage	III.	Paul M Sweezy
D.	Law of invisible hand	IV.	Adam Smith

Choose the correct answer from the options given below:

A-II, B-III, C-I, D-IV	A-III, B-II, C-I, D-IV
A-IV, B-I, C-II, D-III	A-I, B-IV, C-III, D-II

49 Match List I with List II:

LIST I		LIST II	
A.	Inventory Theoretic Approach	I.	J. M. Keynes
B.	Liquidity Preference as a behaviour towards risk	II.	W. J. Baumol
C.	Money as a temporary abode of purchasing power	III.	Milton Friedman
D.	A discontinuous individual speculative demand for money	IV.	James Tobin

Choose the correct answer from the options given below:

A-I, B-II, C-IV, D-III	A-IV, B-III, C-II, D-I
A-I, B-III, C-II, D-IV	A-IV, B-II, C-III, D-I

50 Match List I with List II:

LIST I		LIST II	
A.	Monopolies Inquiry Commission	I.	2016
B.	Monopolies and Restrictive Trade Practices Act (MRTP Act)	II.	1965
C.	The Competition Act	III.	1970
D.	The Insolvency and Bankruptcy code	IV.	2002

Choose the correct answer from the options given below:

A-I, B-II, C-III, D-IV	A-II, B-III, C-IV, D-I
A-II, B-IV, C-III, D-I	A-IV, B-III, C-II, D-I

51	Given below are two statements: one is labelled as Assertion A and the other is labelled as Reason R: **Assertion A**: Green Revolution benefited only Punjab, Haryana and Western Uttar Pradesh. **Reason R**: Irrigation was necessary for the success of green revolution. In the light of the above statements, choose the most appropriate answer from the options given below:
Both A and R are correct and R is the correct explanation of A	Both A and R are correct but R is NOT the correct explanation of A
A is correct but R is not correct	A is not correct but R is correct

52	Match List I with List II:

LIST I		LIST II	
A.	Principle of Absolute Advantage	I.	Rybczynski
B.	Effects of factor endowment charges on trade	II.	Samuelson
C.	Theory of reciprocal demand	III.	Adam Smith
D.	Factor price equalization theorem	IV.	J. S. Mill

Choose the correct answer from the options given below:

A-III, B-II, C-IV, D-I	A-IV, B-II, C-I, D-III
A-III, B-I, C-IV, D-II	A-III, B-IV, C-II, D-I

53	Match List I with List II:

LIST I		LIST II	
A.	Wealth of Nations	I.	David Ricardo
B.	Treatise on Money	II.	Jagdish Bhagwati
C.	In defence of globalization	III.	Adam Smith
D.	Principles of Political Economy and Taxation	IV.	J. M. Keynes

Choose the correct answer from the options given below:

A-III, B-IV, C-II, D-I	A-I, B-II, C-III, D-IV
A-IV, B-III, C-II, D-I	A-II, B-I, C-IV, D-III

54	Match List I with List II:

List-I	List-II
A. Permanent Income Hypothesis	I. John Maynard Keynes
B. Inter-temporal consumption models	II. Duesenberry
C. Relative Income Hypothesis	III. Irving Fisher
D. Absolute Income Hypothesis	IV. Milton Friedman

Choose the correct answer from the options given below:

A-III, B-IV, C-II, D-I	A-I, B-II, C-IV, D-III
A-IV, B-III, C-II, D-I	A-II, B-I, C-III, D-IV

55	Given below are two statements: **Statement I:** If rows and columns are interchanged and columns into rows the value of the determinant remains unaltered but the sign changed. **Statement II:** When two rows or columns are interchanged the numerical value of the determinant changes but the sign of the determinant remains unchanged. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are correct	Both Statement I and Statement II are incorrect
Statement I is correct but Statement II is incorrect	Statement I is incorrect but Statement II is correct

56	Given below are two statements: **Statement I:** The statistical constant of the population are known as parameters. **Statement II:** The square root of the standard deviation of the sampling distribution of a statistic is known as the standard error. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are correct	Both Statement I and Statement II are incorrect
Statement I is correct but Statement II is incorrect	Statement I is incorrect but Statement II is correct

57	Given below are two statements: **Statement I:** Monopolistic competition involves many sellers of homogeneous products. **Statement II:** The oligopoly involves some producers of standardized or differentiated products. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are true	Both Statement I and Statement II are false
Statement I is true but Statement II is false	Statement I is false but Statement II is true

58	Given below are two statements: **Statement I:** An adverse supply shock reduces the marginal productivity of labour. **Statement II:** Output in the short run is a function of the equilibrium condition in the labour market. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are true	Both Statement I and Statement II are false
Statement I is true but Statement II is false	Statement I is false but Statement II is true

59	Given below are two statements: **Statement I:** A rise in the rate of inflation means that the percentage rise in average prices is higher than the previous one. **Statement II:** The Phillips curve suggests that a fall in unemployment is likely to lead to lower rates of wage and price inflation. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are correct	Both Statement I and Statement II are incorrect
Statement I is correct but Statement II is incorrect	Statement I is incorrect but Statement II is correct

60	Given below are two statements: **Statement I:** The number of exchange possibilities that exist in a money economy exceeds the number in a barter economy. **Statement II:** An increase in the length of time for which money is held will reduce the velocity at which money circulates in the economy. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are correct	Both Statement I and Statement II are incorrect
Statement I is correct but Statement II is incorrect	Statement I is incorrect but Statement II is correct

61	Given below are two statements: **Statement I:**The main features of the Industrial Policy – 1991 includes abolition of industrial licensing, diminishing role of public sectors, MRTP limit scraped, conditions on entry of foreign investment and technology liberalized and so on. **Statement II:** First Industrial Policy Resolution was issued in 1951. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are correct	Both Statement I and Statement II are incorrect
Statement I is correct but Statement II is incorrect	Statement I is incorrect but Statement II is correct

62 Match List I with List II:

LIST I		LIST II	
A.	National Rural Employment Programme (NREP)	I.	2001
B.	Sukanya Samridhi Yojana	II.	1980
C.	Food for work programme (FWP)	III.	1983
D.	Rural Landless Employment Guarantee Programme (RLEGP)	IV.	2015

Choose the correct answer from the options given below:

A-IV, B-III, C-II, D-I	A-I, B-II, C-IV, D-III
A-II, B-IV, C-I, D-III	A-III, B-II, C-IV, D-I

63	Who propounded the "Jail Cost of Living Method" for determining the poverty line?
Prem Krishna Murti	Dadabhai Naoroji
Tendulkar Samiti	Amartya Sen

64	Consider the following statements regarding arguments for free trade: A. Free trade leads to maximization of output, income and employment. B. Free trade prevents monopoly. C. Free trade protects domestic industries. D. Free trade favours the monopoly Choose the correct answer from the options given below:
A and C only	A and B only
C and D only	B and D only

65	The core principle of multilateral trading system is: A. Non-discrimination B. Reciprocity C. Protectionism D. Domestic safeguard
A, B and D only	B and C only
B, C and D only	A and B only

66	Given below are two statements: one is labelled as Assertion A and the other is labelled as Reason R: **Assertion A**: India has a big potential demographic dividend. **Reason R**: India's population growth rate is declining. In the light of the above statements, choose the most appropriate answer from the options given below:

Both A and R are correct and R is the correct explanation of A	Both A and R are correct but R is NOT the correct explanation of A
A is correct but R is not correct	A is not correct but R is correct

67	Given below are two statements: **Statement I:** A common resource is rival and non-excludable. **Statement II:** A public good is non-rival and non-excludable. In the light of the above statements, choose the most appropriate answer from the options given below:

Both Statement I and Statement II are correct	Both Statement I and Statement II are incorrect
Statement I is correct but Statement II is incorrect	Statement I is incorrect but Statement II is correct

68	Fiscal policy relates to the Government decision in respect of- A. Taxation B. Government spending C. Government borrowing

	D. Repo rate

B and D only	A, B and C only
A and D only	C and D only

69	The following data of an economy is given $C = 1000 + 0.84$ $I = 500$ The equilibrium level of output is

15000	1500
7500	8000

70	The first derivative of x^x is

$x \log x$	$x\, x^{x-1}$
$x^x\,(1 - \log x)$	$x^x\,(1 + \log x)$

71	The expected value of x for the probability distribution function of the random variable given below is

x	3	6	9
f(x)	0.25	0.5	0.5

3.25	9.5
6	12

72	A standard normal distribution refers to a random variable that has a
Mean of 1 and standard deviation of 0	Standard deviation of 1 and mean of 0
Mean of 0 and standard deviation of 0	Mean of 1 and standard deviation of 1

73	FRBM Act, 2012 puts a ceiling to fiscal deficit of GDP at
6%	5%
4%	3%

74	The locus of combination of output and interest rate where the assets market is in equilibrium is
IS curve	LM curve
BP curve	None of the above

75	Starting from the earliest arrange the following in chronological order- A. Global Financial Crisis B. East Asian Crisis C. Great Depression D. Gold Standard Mechanism
C, D, A, B	A, B, D, C
C, D, B, A	D, C, B, A

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