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# CALICUT UNIVERSITY CENTRALIZED ENTRANCE TEST (CU-CET)
## APRIL 2025

## INTEGRATED M.A DEVELOPMENT STUDIES

Time : Two Hours Maximum : 400 Marks

*Each question carries 4 mark.*

1 *mark will be deducted for each wrong answer.*

1. The opportunity cost of a good is :
   - (A) The time lost in finding it
   - (B) The quantity of other goods sacrificed to get another unit of that good
   - (C) The expenditure on the good
   - (D) The loss of interest in using savings
2. In a free market ————.
   - (A) Governments intervene.
   - (B) Governments plan production.
   - (C) Governments interfere.
   - (D) Prices adjust to reconcile scarcity and desires.
3. Macroeconomics is the study of ————.
   - (A) Individual building blocks in the economy.
   - (B) The relationship between different sectors of the economy.
   - (C) Household purchase decisions.
   - (D) The economy as a whole.
4. If your income during one year is £10,000 and the following year it is £12,000, then it has grown by :
   - (A) 20 %. (B) 2 %.
   - (C) 12 %. (D) 16 %.

Turn over

5. If the diagram of a line shows that lower values on the vertical scale are associated with higher values on the horizontal scale, this is an example of ————.

(A) A non-linear relationship. (B) A positive linear relationship.

(C) A scatter diagram. (D) A negative linear relationship.

6. The equilibrium price clears the market; it is the price at which ————.

(A) Everything is sold.

(B) Buyers spend all their money.

(C) Quantity demanded equals quantity supplied.

(D) Excess demand is zero.

(E) (C) and (D).

7. A demand curve can shift because of changing :

(A) Incomes. (B) Prices of related goods.

(C) Tastes. (D) All of the above.

8. If a price increase of good A increases the quantity demanded of good B, then good B is a ————.

(A) Substitute good. (B) Complementary good.

(C) Bargain. (D) Inferior good

9. The price elasticity of demand measures ————.

(A) The responsiveness of quantity demanded to a change in price.

(B) How far a demand curve shifts.

(C) A change in price.

(D) A change in quantity demanded.

10. Inferior goods have ———— and luxury goods have ————.

    (A) Negative income elasticities, income elasticities greater than 1.

    (B) Income elasticities greater than 1, negative income elasticities.

    (C) Positive income elasticities, negative income elasticities.

    (D) None of the above.

11. The extra utility from consuming one more unit of a good is called :

    (A) Marginal utility. (B) Additional utility.

    (C) Surplus utility. (D) Bonus utility.

12. The increase in total cost when one more unit is produced is known as :

    (A) Marginal cost. (B) Opportunity cost.

    (C) Limited cost. (D) Average cost.

13. A competitive firm produces a level of output at which ————.

    (A) Price is greater than marginal cost.

    (B) Price equals marginal cost.

    (C) Price is less than marginal cost.

    (D) None of the above.

14. A natural monopoly has a declining ———— over a large range of output.

    (A) Long run marginal cost. (B) Short run marginal cost.

    (C) Long run average cost. (D) Long run marginal cost.

15. The Prisoners' Dilemma Game demonstrates that :

    (A) Players are better off to act independently.

    (B) Monopoly is better than competition.

    (C) People will always cheat.

    (D) Players are better off if they co-operate.

16. An allocation is Pareto-efficient if no reallocation of resources would make some people ———— without making others ————.

    (A) Worse off, worse off.
    (B) Better off, better off.
    (C) Better off, worse off.
    (D) Equal, unequal.

17. A good example of a public good is ————.

    (A) Public transport.
    (B) The national health service.
    (C) National defence.
    (D) Rail transport.

18. Real GNP measures income ————.

    (A) Including non-market activities.
    (B) Adjusted for inflation.
    (C) Including externalities.
    (D) Including tax evasion.

19. By restricting labour supply a trade union can ———— and ————.

    (A) Increase the wage, increase employment.
    (B) Maintain the wage, increase employment.
    (C) Increase the wage, lower employment.
    (D) Maintain the wage, lower employment.

20. Involuntary unemployment exists if workers :

    (A) Will not work at the offered wage.
    (B) Would work at the going wage but can't find jobs.
    (C) Will not work because the hours are anti-social.
    (D) Are not prepared to move house to get the job.

21. In a macroeconomic model without foreign trade or a government, aggregate demand is the sum of :

(A) Personal saving and private investment.

(B) Personal saving and personal consumption.

(C) Personal consumption and private investment.

(D) None of the above.

22. Short-run equilibrium output means that aggregate demand ———actual output

(A) Is less than. (B) Equals.

(C) Is greater than. (D) Fluctuates around.

23. If the government increases spending and raises taxes by just enough to finance this increase it will ———.

(A) Leave output unchanged. (B) Increase output.

(C) Reduce output. (D) Increase the MPC.

24. Money has 3 main functions, they are, ———, ——— and ———.

(A) IOU, inflation hedge, store of value.

(B) Medium of exchange, inflation hedge, store of value.

(C) Medium of exchange, unit of account, IOU.

(D) Medium of exchange, unit of account, store of value.

25. Central banks prefer to fix the ——— and accept the resulting ———.

(A) Demand for money, interest rate.

(B) Interest rate, equilibrium money supply.

(C) Demand for money, equilibrium money supply.

(D) Interest rate, demand for money.

26. Governments may contribute to inflationary pressure on account of building up large ———.

(A) Numbers of employees.

(B) Welfare plans.

(C) Budget deficits.

(D) Expenditure.

27. Possible causes of involuntary unemployment are :

(A) Minimum wage agreements.

(B) Trade unions.

(C) Scale economies.

(D) Insider-outsider distinctions.

(E) Efficiency wages.

(F) All of the above.

28. A current account deficit means that a country may ———.

(A) Reduce its stock of foreign assets.

(B) Increase its stock of foreign assets.

(C) Increase its savings.

(D) Increase its foreign currency reserves.

29. The business cycle describes fluctuations in output around the ———.

(A) Trend path of output.

(B) Boom.

(C) Recession.

(D) Short-run fluctuations in output.

30. All of the following represent obstacles to LDC development except :

(A) Resource scarcity.

(B) Low levels of investment.

(C) Low population.

(D) Poor infrastructure.

(E) Poor human capital.

31. Import substitution is the replacement of ———— by domestic production under the protection of ————.

(A) Exports, subsidies.

(B) Exports, patents.

(C) Imports, high tariffs or import quotas.

(D) Imports, subsidies.

32. Which of the following is not included in the calculation of national income ?

(A) Value of annual goods production.

(B) Value of annual services.

(C) Value of old goods sold.

(D) Value of new technology.

33. Consider the following :

(i) Allotting of the shares of net proceeds of taxes.

(ii) Laying down principles governing grants in aid.

(iii) Looking into the financial relations between the central government and the state Governments.

The above-mentioned functions are carried out by which among the following ?

(A) Cabinet Committee on Economic Affairs.

(B) National Development Council.

(C) Finance Commission.

(D) NITI Aayog.

34. Which among the following committee suggested to establish "Insurance Regulatory Authority in India" ?

(A) Dandekar Committee. (B) Malohtra Committee.

(C) Rangrajan Committee. (D) Dutt committee.

35. Which of the following clearly define Stagflation ?

(A) Constant rate of inflation.

(B) Low inflation with high recession.

(C) High inflation with low recession.

(D) Stagnation and inflation.

36. Which International organization releases the Global Forest Assessment report ?

(A) UN-FAO.

(B) World economic forum.

(C) CITES.

(D) International Union of Forests research organization.

37. Who decides Bank rates in India ?

(A) Finance Minister of India.

(B) President of India.

(C) Reserve Bank of India.

(D) State Bank of India.

38. Who is the custodian of Contingency Fund of India ?

(A) The Prime minister.

(B) Judge of Supreme Court.

(C) The finance minister.

(D) The President.

39. FEMA Stands for :

(A) Foreign exchange Merging Act.

(B) Foreign exchange Managed Act.

(C) Foreign Exchange Management Act.

(D) None of these.

40. Human capital can be described as :

(A) The tools used by workers to enhance productivity.

(B) A person's inherited abilities.

(C) Education.

(D) The stock of expertise accumulated by a worker.

41. Who is the father of Green Revolution in India ?

(A) Norman E Barlaug. (B) MS Swaminathan.

(C) Garry Backer. (D) Dr. P. M. Jha.

42. Article 41 of Indian Constitution states :

(A) Free compulsory education for all children up to 14 years of age.

(B) Right to Education and work.

(C) Educational and cultural relations with foreign countries.

(D) Educational grants for the benefit of Anglo-Indian communities.

43. Correlation is a statistical tool for :

(A) Discovering and measuring the relationship and expressing it in a brief formula.

(B) Measuring dispersion.

(C) Calculation of variation.

(D) Locating the point around which variables cluster.

44. Human Development Report published by UNDP compares countries based on :

(A) Health status.

(B) Per capita income.

(C) Educational levels of the people.

(D) All of the above.

45. What is meant by sustainable development ?

(A) Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

(B) Development that focuses only on economic growth.

(C) Development that prioritizes the interests of the elite.

(D) None of the above.

46. Which of the following is the reason for the decline in the child sex ratio in India ?

(A) Low fertility rate.

(B) Female foeticide.

(C) Incentives for a boy child from the government.

(D) None of the above.

47. ———— is responsible for National Income Statistics in India.

(A) Reserve Bank of India. (B) Central Statistical Office.

(C) NITI Ayogrepo. (D) Planning Commission.

48. Which of the following article prohibits the consumption of intoxicating drinks and drugs ?

(A) Article 43 B. (B) Article 46.

(C) Article 47. (D) Article 48.

49. Which of the following Article deals with Budget in the Constitution of India ?

(A) 110. (B) 111.

(C) 112. (D) 114.

50. Who has the power to make laws with respect to residuary subjects ?

(A) The President. (B) The Parliament.

(C) The Prime Minister. (D) The Vice President.

51. Morbidity indicates ————.

(A) Proneness to fall ill.

(B) High infant mortality rate.

(C) High maternal mortality rate.

(D) Low life expectancy.

52. Index number measures the changes in variables or variables over time.

(A) True.

(B) False.

53. The wholesale price index number indicates the change in the ————.

(A) Labour market. (B) General price level.

(C) Consumer markets. (D) Stock market.

54. Sensex is the short form of Bombay Stock Exchange Sensitive Index with 1978 – 79 as base :

(A) True.

(B) False.

55. ———— is the most well-known indicator of inflation.

(A) Consumer Price Index (CPI).

(B) Sensex.

(C) NSE.

(D) None of the above.

56. Who proposed the Preamble before the drafting committee of the Constitution ?

(A) Jawaharlal Nehru. (B) B. R. Ambedkar.

(C) B. N. Rao. (D) Mahatma Gandhi.

57. Who was the first Indian to get elected in House of commons ?

(A) Bhikaji Kama. (B) JRD Tata.

(C) Dadabhai Naoroji. (D) Dinshaw Edulji Wacha.

58. The Universities of Calcutta, Bombay and Madras were established as the outcome of which among the following ?

(A) Hunter Commission Report. (B) Sir Charleswood's dispatch.

(C) Indian Universities Act. (D) Hartog Committee.

59. Who among the following was the Viceroy of India when the Revolt of 1857 occurred ?

(A) Lord Dalhousie. (B) Lord Canning.

(C) Major William Taylor. (D) Gen. Hugh Rose.

60. Who wrote the song 'Sare Jahan Se Accha Hindoostan Hamara' ?

(A) Ramprasad Bismil. (B) Mohammad Iqbal.

(C) Ashafaqullah Khan. (D) Sahir Ludhianvi.

61. According to HDR 2023, India's HDI value for 2022 is ———.

(A) 0.644. (B) 0.733.

(C) 0.544. (D) 0.6.75.

62. Between 1990 and 2022, India's HDI value changed from 0.434 to ———.

(A) 0.712. (B) 0.534.

(C) 0.257. (D) 0.644.

63. Between 1990 and 2022, India's expected years of schooling changed by :

(A) 3.1 years. (B) 4.6 years.

(C) 5.5 years. (D) 7.9 years.

64. India's Gender Development Index (GDI) value in 2022 is ———.

(A) 0.744. (B) 0.6633.

(C) 0.544. (D) 0.852.

65. Gender Social Norms Index (GSNI) assesses the impact of social beliefs on gender equality.

(A) Political position. (B) Educational status.

(C) Social beliefs. (D) Family status.

66. Multidimensional Poverty Index covers ——— indicators covering health, education and standard of living.

(A) 17. (B) 10.

(C) 3. (D) 4.

67. Sustainable Development Goals (SDGs) cover ———— indicators.

(A) 4. (B) 10.

(C) 15. (D) 17.

68. ———— is the CEO of NITI Ayog India.

(A) V. M. Rao. (B) Prime minister.

(C) Urjit R. Patel. (D) Sh. BVR Subrahmanyam.

69. Reserve Bank of India was established in ————.

(A) 1935. (B) 1951.

(C) 1947. (D) 1857.

70. Rational people act only when the marginal benefit of the action exceeds the marginal cost :

(A) True.

(B) False.

71. If an economy were experiencing substantial unemployment, the economy is producing inside the production possibilities frontier.

(A) True.

(B) False.

72. An advance in production technology would cause the production possibilities curve to shift outward :

(A) False.

(B) True.

73. Most economists believe that tariffs and import quotas usually reduce general economic welfare :

(A) True.

(B) False.

74. Economic growth is depicted by :

(A) A shift in the production possibilities frontier outward.

(B) A movement from inside the curve toward the curve.

(C) A shift in the production possibilities frontier inward.

(D) A movement along a production possibilities frontier toward capital goods.

75. Comparative advantage, not absolute advantage, determines the decision to specialize in production :

(A) False.

(B) True.

76. In the Keynesian view, the price level is (A) ———. In the neoclassical view, the price level is (B) ——— :

(A) (A) endogenous, (B) exogenous.

(B) (A) exogenous, (B) endogenous.

(C) (A) relevant, (B) irrelevant.

(D) (A) irrelevant, (B) relevant.

77. Dividing nominal wages (W) by labour productivity (Y/L) yields :

(A) Real unit labour costs. (B) Nominal unit labour costs.

(C) Total factor productivity. (D) Labour share of total income.

78. What is a problem the Central Bank has to face when setting interest rates ?

(A) Setting interest rates is unproblematic.

(B) It has to fix the exchange rate, too.

(C) It must withdraw former loans.

(D) It must supply all demanded liquidity.

79. In a perfectly competitive market each seller has a negligible impact on the market price :

(A) True.

(B) False.

80. The law of supply states that an increase in the price of a good increases the quantity supplied of that good along its supply curve.

(A) True.

(B) False.

81. GINI co-efficient measure ————.

(A) Poverty. (B) Unemployment.

(C) Inequality. (D) National income.

82. First Indian governor of RBI ————.

(A) YV Reddy. (B) C D Deshmukh.

(C) Dr. John Matthai. (D) BN Adarkar.

83. ———— is not an example of central bank.

(A) Reserve bank of India. (B) Federal reserve.

(C) The Banque de France. (D) The bank of India.

84. Immiserizing growth is a theoretical situation first proposed by ———— in 1958.

(A) Amartya Sen. (B) Karl Marx.

(C) Jagdish Bhagwati. (D) MK Gandhi.

85. India dissolved Planning Commission in ————.

(A) 2000. (B) 1991.

(C) 2014. (D) 2021.

86. General Agreement on Trade in Services is related to ————.

(A) WTO. (B) UNESCO.

(C) WHO. (D) WIPO.

87. India introduced GST in ————.

(A) 1st July, 2017. (B) 1st March 2015.

(C) 1st January 2016. (D) 15th August 2017.

88. Grameen Bank is a microfinance specialized community development bank founded in Bangladesh by ————.

(A) Sheyk Haseena. (B) Muhammad Yunus.

(C) Ibrahim Yunus. (D) None of the above.

89. India introduced Kissan Credit Card System in ————.

(A) 1978. (B) 1998.

(C) 1988. (D) 2008.

90. ———— is also known as the father of Indian Statistics.

(A) PC Mahalanobis. (B) VKRV Rao.

(C) VM Dandekar. (D) AM Kusru.

91. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is part of ————.

(A) WTO. (B) UNESCO.

(C) World intellectual forum. (D) International court.

92. The first official census was conducted in the year ————.

(A) 1891. (B) 1921.

(C) 1781. (D) 1881.

93. The first edition of SDG India Index was launched in ———— NITI Ayog.

(A) January 1, 2014.
(B) August 15, 2021.
(C) March 31 2017.
(D) December 2018.

94. Governors of states in India are appointed by ————.

(A) The president.
(B) Chief minister.
(C) Chief justice.
(D) Prime minister.

95. According to Census of India 2011, ———— mark the highest sex-ratio rate in India.

(A) Tamil Nadu.
(B) Punjab.
(C) Kerala.
(D) Karnataka.

96. The non-co-operation movement was launched on August 1,1920, by ————.

(A) Subash Chandra Bose.
(B) Mahatma Gandhi.
(C) Bhagat Singh.
(D) Sardar Patel.

97. The Mission of Unnat Bharat Abhiyan is to ————.

(A) Empower girls in schools.
(B) Empower women through SHGs.
(C) enable higher educational institutions to work with the people of rural India.
(D) enables local government to negotiate with other governments.

98. The Indifference curve is convex to the origin :

(A) True.
(B) False.

99. The distribution of the burden of paying a tax is called ———.

(A) Sharing of tax burden.
(B) Shifting of the tax.
(C) Incidence of a tax.
(D) Tax capitalization.

100. ——— is the rate at which the Reserve Bank of India (RBI) lends money to commercial banks or financial institutions in India.

(A) Interest rate.
(B) Repo rate.
(C) Bank rate.
(D) Reverse repo rate.