

CHAPTER-2 | Indian Economy (1950-1990)

QUIZ
PART-02

1. Which of the following was not a primary goal of India's planning?

- A. Growth
B. Self-Reliance
C. Modernisation
D. Employment (D)

Explanation : The four primary goals were growth, modernisation, self-reliance, and equity. Employment was not listed as a core goal.

2. What is considered a good indicator of economic growth?

- A. High exports
B. Steady increase in Gross Domestic Product (GDP)
C. Increase in employment alone
D. Increase in agricultural production only (B)

Explanation : A steady rise in GDP is seen as the best measure of economic growth.

3. What does modernization primarily mean in planning terms?

- A. Increasing foreign trade
B. Adopting new technology in production
C. Expanding agricultural land
D. Reducing taxes (B)

Explanation : Modernization is the use of new technology to increase output, such as improved seeds or advanced machines.

4. Which policy was followed to reduce dependence on foreign countries?

- A. Free trade policy
B. Import substitution and self-reliance
C. Export promotion only
D. Industrial privatization (B)

Explanation : Self-reliance meant avoiding imports of goods that could be produced domestically, reducing dependence on foreign nations.

5. Why was equity included as a goal of planning?

- A. To ensure rapid privatization
B. To reduce foreign trade
C. To ensure benefits of growth reach poor sections also
D. To protect landlords and zamindars (C)

Explanation : Equity aimed at reducing inequality so that prosperity benefits not just the rich but also the poor.

6. Which of the following was not a failure of Five-Year Plans?

- A. Abject poverty
B. High rate of inflation
C. Inadequate infrastructure
D. Increase in per capita income (D)

Explanation : Increase in per capita income was an achievement, while poverty, inflation, and weak infrastructure were failures.

7. Increase in per capita income was an achievement, while poverty, inflation, and weak infrastructure were failures.

- A. Abject poverty
B. Unemployment
C. Increase in national income
D. Inadequate infrastructure (C)

Explanation : National income rose during the planning period, marking it as one of the major achievements.

8. What was one major failure of the plans despite economic progress?

- A. Decline in agriculture
B. Persistence of unemployment and poverty
C. Decline in literacy
D. Reduction in industrial output (B)

Explanation : Despite growth, poverty and unemployment persisted widely, showing the limits of planning outcomes.

9. Which year was the Planning Commission of India established?

- A. 1947
B. 1950
C. 1951
D. 1955 (D)

Explanation : The Planning Commission was set up in 1950 to prepare India's economic plans.

10. What was the main purpose of focusing on self-reliance in the first seven Five-Year Plans?

- A. To promote only exports
B. To avoid imports of goods that India could produce itself
C. To increase dependence on foreign aid
D. To reduce domestic production (B)

Explanation : Self-reliance helped India reduce foreign dependence, especially in food and industrial goods.