

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When there is inflation attached with high unemployment level, it is called ?	A. Stagflation B. Hyper inflation C. Demand pull inflation D. Cost push inflation
2	Who said that economics is the science of material welfare ?	A. Adam smith B. Marshall C. Ricardo D. Robbins
3	Economics is a science	A. Political B. Spiritual C. Social D. Scientific
4	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
5	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
6	If the person has to pay the tax on whom it is levied, then it is called	A. Direct tax B. Indirect tax C. Proportional tax D. Progressive tax
7	Trade cycles can be controlled by:	A. Fiscal policy B. Monetary policy C. Buffer stock schemes D. All of these
8	In case of perfectly elastic supply or infinite elasticity of supply, supply curve is	A. Horizontal (parallel to x-axis) B. Vertical (parallel to y-axis) C. Positive sloped D. Negative sloped
9	The term demand in economics means:	A. Desire B. Purchasing C. Need D. Both (a) and (b)
10	When marginal utility is zero, than total utility is:	A. Minimum B. Positive C. Maximum D. Zero
11	To describe as it is, after seeing and analyzing any event, is known as	A. Normative science B. Positive science C. Biological science D. For casting science
12	national income is found by	A. Subtracting depreciation allowance from gross national product B. Subtracting indirect taxes from net national product C. Adding subsidies in net national product D. Subtracting indirect taxes and adding subsidies in net national product
13	Self owned resources are known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
14	If the face value of a coin is equal to the value of metal used in:	A. Legal money B. Token money C. Standard money D. Both b and c

15	One of the following is not included in implicit cost	A. Interest of entrepreneur's own capital B. Rent of building C. Reward of entrepreneur's own labour D. Reward of entrepreneur's own land
16	One of the following is not included in the sources of public revenue	A. Tax B. Fee C. Defence D. Fines
17	In private finance the individuals estimate their income and expenditures	A. Daily B. Weekly C. Monthly D. Yearly
18	When average product is maximum, marginal product is	A. Equal to average product B. More than average product C. Less than average product D. Zero
19	The duty of a market is not to	A. make exchange of goods B. contact buyers and sellers C. determine price D. give maximum output
20	Which laws are framed by parliament	A. State laws B. Moral laws C. Economic laws D. Scientific laws
21	First law of consumption is known as:	A. Law of supply B. Law of demand C. Law of diminishing marginal utility D. Law of equi marginal utility
22	In a production process, when units of variable factors along with the fixed factor of production are increased, marginal cost remains the same, this tendency in economics is called	A. Law of decreasing cost B. Law of constant cost C. Law of increasing cost D. Law of decreasing return
23	Average revenue is equal to	A. Price B. Total revenue C. Marginal revenue D. Average cost
24	When after the observation and analysis of the conditions, they are stated as they are, is called	A. Normative science B. Positive science C. Vegetation science D. Science of Prediction
25	The costs which increase with the increase in output and decrease with the decrease in output, are called	A. Variable costs B. Fixed costs C. Average costs D. Marginal cost
26	To determine consumer's equilibrium, professor Marshall got help from the law	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of constant return
27	Average product is maximum, when marginal product curve _____ average product curve	A. Intersects falling B. Intersect rising C. Is above D. Is below
28	What remains after the deduction of direct tax from the personal income	A. NNP B. NNI C. DPI D. GNP
29	According to quantity theory of money doubling the quantity of money, prices	A. Increase B. Double C. Decrease D. One half
30	Time period of public finance is:	A. Two years B. Five years C. One year D. One month
31	The exports and imports of visible items is known as:	A. Balance of payments B. Balance of trade C. Internal balance D. Both a and b

32	After deducting direct tax from personal income, it is called	A. National income B. personal income C. Disposable personal income D. per capital income
33	Unity method to measure elasticity of demand was presented by	A. Adam smith B. Robbins C. Marshall D. Keynes
34	In which year international monetary fund was established:	A. 1941 B. 1944 C. 1945 D. 1947
35	Marginal revenue product is the amount of money attained by selling	A. Average product B. Marginal product C. Total product D. None of these
36	In law of increasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Remains fixed
37	After subtracting depreciation allowance from gross national product is known	A. National income B. Net national product C. Personal income D. Gross domestic product
38	If everybody pays tax according to his financial position, it is said	A. canon of convenience B. canon of Equality C. canon of Economy D. canon of simplicity
39	Inflation can be controlled by:	A. Fiscal policy B. Monetary policy C. Trade policy D. Both a and b
40	One of the following is not included in the public expenditures	A. Courts B. Fee C. Public administration D. Defence
41	When supply decreases due to fall in price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
42	In short average cost curve is:	A. Saucer shaped B. Negative slope C. U shaped D. Flatter
43	Utility attained by all the units of a commodity consumed	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
44	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
45	According to which economist, it is difficult to find marginal product	A. Robbins and Keynes B. Marshall and pigou C. Adam Smith and Mathuls D. Taussing and Davenport
46	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit
47	When average cost falls, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
48	Marginal utility curve moves	A. From left to right downward B. From left to right upward C. Parallel to ox axis D. Parallel to oy axis
49	The paper notes which can not be converted in gold, silver, or foreign exchange, are called	A. Standard money B. Convertible paper money C. Inconvertible paper money D. Legal tender money

50	If a person does not pay the amount of the tax from his own pocket on whom it is levied rather shifts its burden on some other person, then it is called	A. Direct tax B. Indirect tax C. Proportional tax D. Progressive tax
51	Who said that economics is positive science	A. Adam Smith B. Marshall C. Robbins D. Keynes
52	National income means the income	A. Which central government earns during a year B. Which provincial government earns during a year C. Total wealth of a country D. Rewards which the factors of production get during a year
53	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
54	Economic problem arises due to:	A. Unlimited wants B. Limited resources C. Resources have alternative use D. All of them
55	A monopolist firm usually earns	A. Normal profit B. Abnormal profit C. Minimum loss D. Abnormal loss
56	Market price will be determined where	A. Supply is more than demand B. Demand is more than supply C. Demand and supply are equal D. Demand is less elastic and supply is more elastic
57	No factor can take the place of any other factor, it is explained by	A. Law of decreasing return B. Law of constant return C. Law of increasing return D. Law of return
58	Public finance can be divided into:	A. Two branches B. Three branches C. Four branches D. None of these
59	When demand curve shifts leftward (or downward), it is called	A. Rise of demand B. Fall of demand C. Extension of demand D. Contraction of demand
60	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and Pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
61	First and basic law of consumption is	A. Law of demand B. Law of decreasing return C. Law of supply D. Law of diminishing marginal utility
62	If price of a commodity is constant but its supply increases or price decreases but supply remains constant, it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
63	The most clear and comprehensive definition of economics is given by	A. Adam Smith B. Alfred Marshall C. Robbins D. A.C. Pigou
64	Government estimates its income and expenditures	A. Monthly B. Three monthly C. Six monthly D. Annual
65	Flux method is also known as:	A. Percentage method B. Unitary method C. Total expenditure method D. All of them
66	According to which economist, utility is measurable	A. Marshall B. Adam Smith C. Robbins D. Keynes

67	What is money	A. Coins of gold and silver B. Paper money C. Agricultural crops D. Everything which can be used as a medium of exchange
68	The shape of average cost curve in the short period is	A. Vertical B. Horizontal C. Positively sloping D. Like English alphabet U
69	"Public finance is that branch of economics which studies the revenue and expenditures of governments institutions, their inter-relationship and financial administration" This definition is stated by	A. Bastable B. Armitage Smith C. Marshall D. Pigou
70	Because of increase in national income	A. Standard of living rises B. Standard of living falls C. No change occurs D. None of three
71	As factor of production, river and sea are called	A. Land B. Labour C. Capital D. Organization
72	If supply curve is horizontal (parallel to x-axis) then elasticity of supply is	A. Zero B. Infinite C. Equal to unity D. More than unity
73	Marginal revenue product is the amount of money attained by selling:	A. Average product B. Marginal product C. Total product D. Total cost
74	Increasing marginal product shows the law	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of diminishing marginal utility
75	The goods which are directly consumed by the human-being, are called	A. Consumer goods B. Capital goods C. Industrial goods D. None of the three
76	Consumer goods are those goods which the consumers consume	A. Directly B. Indirectly C. Sometimes D. Never
77	The relation between quantity of money and price is:	A. Positive B. Negative C. Direct D. Inverse
78	One condition which is not included in perfect competition conditions	A. Homogeneity of product B. Difference in price C. Large number of buyers and sellers D. Perfect knowledge of the market
79	Equilibrium means	A. the condition that is not possible B. an unstable condition C. a condition that can change D. stable position
80	Monopoly refers to:	A. Single buyer B. Single seller C. Single producer D. Both b and c
81	To which area of England Adam Smith belonged	A. Wales B. Scotland C. Ireland D. London
82	Which is not counted in national income	A. Interests B. transfer payments C. Profits D. Rents
83	Who did introduce Macro Economics	A. Marshall B. N.W. Senior C. J.M. Keynes D. Ricardo
		A. Trade sector

84	Law of diminishing return is more applicable in:	<p>-----</p> <p>B. Industrial sector C. Agricultural sector D. Education sector</p>
85	Which is not studied in micro economics	<p>A. Theory of consumer behavior B. Price theory C. Theory of money D. Theory of distribution of wealth</p>
86	When total production increases, marginal product is:	<p>A. Positive B. Negative C. Zero D. Infinite</p>
87	Demand for basic necessities of life is:	<p>A. Perfectly elastic B. Less elastic C. Perfectly inelastic D. More elastic</p>
88	Which is considered as a transfer payment	<p>A. wages B. salaries C. prices D. unemployment allowances</p>
89	If we deduct foreign income from GNP, we get:	<p>A. N.N.P B. G.D.P C. D.P.I D. P.I</p>
90	If demand changes by 10% due to 10% change in price, then elasticity of demand is called	<p>A. Equal to unity B. More than unity C. Less than unity D. Infinite</p>
91	If a monopolist wants to increase the sale of its product, it will have to ----- the price of its good	<p>A. Decrease B. Increase C. Keep constant D. None of the three</p>
92	By increasing the cost of production, the supply	<p>A. Extends B. contracts C. Falls D. Rises</p>
93	Speed of increase in total revenue remains equal with the increase in output	<p>A. Under monopoly B. Under oligopoly C. Under perfect competition D. Under pure competition</p>
94	In the long run firms mostly earn normal profit in:	<p>A. Perfect competition B. Oligopoly C. Monopoly D. Duopoly</p>
95	Income elasticity of demand is concerned with	<p>A. Income and consumption of wealth B. Income and demand for good C. Price and income of the consumer D. Price and demand for good</p>
96	Which laws are conditional	<p>A. State B. Economic C. Scientific D. Moral</p>
97	Basic characteristics of good money are	<p>A. General acceptability, durability B. Homogeneity, divisibility C. Transferability, recognizability, convertibility D. All</p>
98	In between how many countries international trade takes place under comparative cost theory	<p>A. Two B. Three C. Four D. Many</p>
99	"General theory of employment, interest and money" was written by:	<p>A. Robbins B. Pigou C. Keynes D. Canon</p>
100	"Principles of Economics" was written in:	<p>A. 1776 B. 1890 C. 1932 D. 1930</p>
101	Zakat can not be given	<p>A. to get slaves free B. To the collection of zakat C. For the construction of Mosque</p>

		D. The converts
102	Which kind of budget is better during the situation of inflation	A. Deficit budget B. Surplus budget C. Balanced budget D. Domestic budget
103	The goods which are jointly demanded to satisfy a want, are called	A. Complimentary goods B. Substitute goods C. Alternative goods D. inferior goods
104	Inductive method represents:	A. General to particular B. Particular to general C. Normative science D. Economic planning
105	Transfer payment means:	A. Rent transfer B. Wages transfer C. Reward without services D. Profit transfer
106	Depreciation means:	A. Wear and Tear B. Reduction in value C. Decrease in value D. All of these
107	When demand for goods and services rises, then velocity of circulation of money	A. Increases B. Decreases C. Remains constant D. Does not change
108	Phases of a trade cycle are	A. Two B. Three C. Four D. Five
109	Guides finance minister for levying tax on the income of the people	A. Law of demand B. Law of equi marginal utility C. Law of diminishing marginal utility D. Law of supply
110	Marginal revenue product curve is called	A. Demand curve of the firm B. Supply curve of the firm C. Demand curve of the industry D. Supply curve of industry
111	Supply of the one of the following is not fixed:	A. Vegetable B. Fruit C. Milk D. Motor bike
112	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
113	Method of measuring national income	A. National income=Gross national product - depreciation allowance B. National income= Net national product - Indirect costs C. National income= Net national product + subsidies D. National income= Net national product - indirect taxes + subsidies
114	Which laws are definite and universal	A. Economic laws B. Moral laws C. State laws D. Scientific laws
115	Price of raw material, wages of temporary labourers, transport costs etc,are called	A. Fixed costs B. Variable costs C. Marginal cost D. Total cost
116	If two goods are substitute, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
117	If demand decreases by 5% due to 10% increase in Price, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
118	Price of perishable goods is determined	A. In the market period B. In the short period C. In the middle period

		C. In the middle period D. In the long period
119	Wages of temporary labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
120	One of the following is not substitute good:	A. Mobile and charger B. Petrol and CNG C. Burger and Shawarma D. Both b & c
121	When total utility is increasing marginal utility is	A. Zero B. Positive C. Negative D. Maximum
122	Elasticity of demand for substitute and jointly demanded goods is called	A. Income elasticity B. Arc elasticity C. Cross elasticity D. Point elasticity
123	The most appropriate definition of money was given by:	A. F.A.Walker B. Keynes C. Pigou D. Crowther
124	Marginal productivity theory was presented by	A. Adam Smith and Malthus B. Marshall and J.B Clark C. Robbins and Keynes D. Pigou and Cannon
125	"National income is that part of material wealth of a nation which can be measured by the scale of money" This definition of national income is stated by the economist	A. Marshall B. Pigou C. Adam smith D. Clark
126	Net foreign income is	A. Exports - imports B. Exports + imports C. Income received by exports D. Income received by imports
127	If in a production sector, along with the fixed factor of production, by increasing units of variable factors, marginal product remains constant, this tendency in economics is called	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of production
128	Number of beneficiaries of Zakat is stated in the holy Quran	A. Five B. Seven C. Eight D. Nine
129	Which is the Demand Curve of a firm	A. Average Revenue Curve B. Marginal Revenue Curve C. Total Revenue Curve D. Average cost curve
130	Which economist is called Aristotal of economics	A. Marshall B. Keynes C. Adam Smith D. Malthus
131	Which is not studied in macro economics	A. National income B. Money and banking C. Price theory D. Public finance
132	According to law of supply, supply curve moves from left to right upward, this tendency is called	A. Positive B. Negative C. Horizontal D. Vertical
133	Marginal cost curve cuts average cost curve when average cost is	A. Maximum B. Minimum C. Increasing D. Decreasing
134	The slope of MR curve in monopoly is	A. Vertical B. Increasing C. Horizontal D. Negative
135	If total expenditure of the consumer decreases due to increase in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero

A. Equilibrium price increases

136	If demand and supply both fall in the same proportion	B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity increases
137	This paper notes which can be converted into gold, silver or foreign exchange are called	A. Standard money B. Unlimited legal tender money C. Convertible paper money D. Inconvertible paper money
138	If tax rate remains fixed irrespective of income level:	A. Direct tax B. Indirect tax C. Progressive tax D. Proportional tax
139	What is deducted from the GNP to get GDP	A. Depreciation allowances B. Net income received from abroad C. Indirect tax D. Transfer payments
140	All the factors production can be hired except.	A. Land B. Labour C. Capital D. Organization
141	The tax which is levied on the sale of goods is called	A. Income tax B. Property tax C. Gift tax D. Sales tax
142	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
143	Production of an additional unit of factor refers to:	A. AP B. TP C. MP D. MR
144	If $MC=MR=AR=AC=P$, then a firm's gains:	A. Super profit B. Normal profit C. Normal loss D. Abnormal loss
145	A slight change in demand and price is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Cross Elasticity of demand D. Price Elasticity of demand
146	Inconvertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
147	Other name of law of equi marginal utility is	A. Law of diminishing marginal utility B. Law of demand C. Law of constant return D. Law of indifference
148	Who said that economics is positive science ?	A. Adam smith B. Marshall C. Robbins D. Keynes
149	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
150	According to Marshall, Economics is	A. Social Science B. Correcting science C. Positive science D. Moral science
151	Who did write the book named "Nature and importance of economics"	A. Adam smith B. Marshall C. Robbins D. Keynes
152	If supply of a commodity is fixed, it is called	A. Market supply B. Short period supply C. Long period supply D. Middle period supply
153	State laws are of	A. Regional nature B. Country nature C. International nature D. Non of three

154	Degree of change in quantity supplied due to change in price is called	A. Extension of supply B. Rise of supply C. Elasticity of supply D. None of three
155	Equilibrium price is determined where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
156	Vertical supply curve means	A. Same quantity supplied at differentiated price B. Different quantities supplied at one price C. Different quantities supplied at different prices D. None of three
157	Desire + Purchasing power is equal to:	A. Demand B. Supply C. Income D. Utility
158	In mathematics, symbol for utility is used	A. U B. M C. X D. Y
159	Movement on the same demand curve is called:	A. Increase in demand B. Rise and fall in demand C. Decrease in demand D. Expansions and contraction in demand
160	Price discrimination policy refers to:	A. Single price B. Two prices C. Multiple prices D. None of these
161	Economic laws are	A. Definite and universal B. Of Conditional nature C. Of moral nature D. Of political nature
162	The goods which are jointly demanded are called:	A. Substitute goods B. Complimentary goods C. Alternative goods D. None of these
163	Disposable personal income is equal to	A. Personal income + direct taxes B. Personal income + indirect taxes C. Personal income + direct and indirect taxes D. Personal income - direct taxes
164	During boom, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced
165	During inflation prices are	A. Zero B. Low C. Increase D. Constant
166	When price of a commodity decreases but its demand does not change, this situation is called	A. Constant demand B. Fall of demand C. Rise of demand D. Extension of demand
167	Innovation theory is presented by	A. Prof Keynes B. Prof Schumpeter C. Prof Hicks D. Prof Foster
168	Inflation will be useful for	A. Labourers B. Consumers C. Pensioners D. Industrialist
169	Law of diminishing marginal utility provides basis for:	A. Law of demand B. Law of equi marginal utility C. Law of supply D. Both (a) and (b)
170	When average product is maximum, marginal product is:	A. Positive B. Equal to AP C. Zero D. Negative

171	Demand for the commodities whose use can be postponed is	A. Less elastic B. More elastic C. Perfectly inelastic D. infinitely elastic
172	Cheque, bill of exchange etc are	A. Metallic money B. Paper money C. Credit money D. Near money
173	Individual income means	A. Total of incomes received from any means by the people B. Total of incomes of entrepreneurs of the country C. Income of a particular person D. Income of a family
174	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
175	Industry is in equilibrium under perfect competition in the long run, when every existing firm in the industry	A. Is earning abnormal profit B. Is earning normal profit C. Is facing minimum loss D. Is facing abnormal loss
176	According to Neo Classical economists, Economics is science of	A. Scarcity of means B. Material welfare C. Wealth D. Unlimited wants
177	The rate of usher on product of canal land is	A. 5% B. 10% C. 20% D. 2.5%
178	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
179	Factors of production are more mobile	A. In international trade B. In the country C. In both D. In none
180	The rate change in total cost is:	A. TR B. MC C. MR D. TC
181	New classical economist is	A. Robbins B. Malthus C. Marshall D. Adam Smith
182	The difference between the value of total export and imports of both visible and invisible items is known as:	A. Balance of payments B. Balance of trade C. Internal trade D. Both a and b
183	Law of increasing return is more applicable in:	A. Trade sector B. Industrial sector C. Agricultural sector D. Power sector
184	If price increases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
185	If the total expenditure of the consumer does not change due to increase or decrease (change) in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
186	If every person pays tax according to his capacity, it is called	A. Canon of certainty B. Canon of equality C. Canon of productivity D. Canon of convenience
187	The period in which an economy comes back from prosperity to depression is called	A. Recovery B. Recession C. Boom D. Depression
		A. Law of decreasing cost

188	In a production process, when units of variable factors along with fixed factor of production are increased, marginal cost goes on rising, this tendency in economics is called	B. Law of constant cost C. Law of increasing cost D. Law of increasing return
189	One of the following is not included in net national product	A. Consumer goods B. Capital goods C. Capital formation D. Consumer goods and capital goods
190	In which year the book named "Principles of Economics" was written	A. 1805 B. 1890 C. 1903 D. 1915
191	Monopoly is opposite to	A. Perfect competition B. Imperfect competition C. Perfect competition and imperfect competition both D. Oligopoly
192	If supply curve is vertical (parallel to y-axis), then elasticity of supply is	A. Zero B. Infinite C. Equal to unity D. More than unity
193	When supply curve shifts leftwards or up, it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
194	Which one of the following was the difficulty of barter system	A. Abundance of goods B. Lack of double coincidence of wants C. Difference of language D. difference of occupations
195	How many kinds of costs are in the short period	A. Two B. Three C. Four D. Five
196	National income is measured for:	A. One year B. Two years C. Three years D. Four years
197	One of the following is not included in the public expenditure:	A. Courts B. Fee C. Public administration D. Defense
198	If demand for commodity X changes due to the change in price of commodity, it is called	A. Cross elasticity B. Price elasticity C. Income elasticity D. Arc elasticity
199	Modern theory of international trade was presented by:	A. Adam smith B. David Ricardo C. Heckscher and Ohlin D. Marshall
200	During the phase of recession prices of goods	A. Start rising B. Start falling C. are highest D. are lowest
201	If supply goes on increasing due to a slight increase in price, then elasticity of supply is called	A. Zero B. Infinite C. Equal to unity D. More than unity
202	When average cost falls marginal cost is ----- average cost	A. More than B. Less than C. Equal to D. A and C
203	Which one of the following is included in balance of payment	A. Visible goods B. Invisible goods C. Visible & invisible goods D. Non material goods
204	Which economist did present, cardinal theory of utility	A. Marshall B. Karoo C. Cannon D. J.B. Say
205		A. Visible items B. Invisible items

205	In balance of payments are included:	C. Visible and invisible items D. None of these
206	Who is called founder of modern school of thought	A. Robbins B. Cannon C. Keynes D. Malthus
207	Who said that economics is neutral science ?	A. Pigou B. Keynes C. Robbins D. Marshall
208	Which one of the following is indirect tax	A. Income tax B. Property tax C. Wealth tax D. Sales tax
209	Rate of Zakat is	A. 1 % B. 2% C. 2.5% D. 5%
210	If demand decreases by 10% due to 10% increase in Price, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
211	In a production process, when units of variable factors along with fixed factor of production are increased marginal cost goes on falling, this tendency in economics is called	A. Law of decreasing cost B. Law of increasing cost C. Law of constant cost D. Law of decreasing return
212	The main cause of using the Cheque as money is	A. They are proved as receipt B. Most of the people accept them C. Protection of money D. Easy in transportation
213	Equation of relationship between quantity of money and value of money, $MV=PT$ is presented by the economist	A. Prof Taussing B. Prof Fisher C. Prof Crowther D. Prof Marshall
214	If price decreases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
215	"Money is what money does" is the statements of:	A. Robbins B. Marshall C. Hicks D. Keynes
216	Difficulties in barter system:	A. Lack of double coincidence of wants B. Lack of storing value C. Lack of common measure of value D. All of these
217	Stock means the quantity of a commodity	A. Which is offered for sale in the market B. Which is sold in the market C. Total production is called stock D. Which the seller keeps in his possession without selling
218	Market value of all final goods and services is known as:	A. N.I B. G.N.P C. N.N.P D. Both a and b
219	According to law of demand, when price of a commodity decreases, then demand curve	A. Moves from left to right upward B. Moves from left to right downward C. Moves vertically D. Moves horizontally
220	When demand for a commodity changes due to the change in price of some other commodity, it is called	A. Point elasticity B. Arc elasticity C. income elasticity D. cross elasticity
221	Capital goods are those which can satisfy human wants:	A. Directly B. Indirectly C. Proportionate D. None of these
222	The innovation theory of trade cycles was presented by	A. Hayek B. Hawtray C. Schumpeter

		D. Pigou
223	According to quantity theory of money, if quantity of money is doubled then prices are doubled while value of money is	A. Doubled B. One halved C. Less than one halved D. Not influenced
224	To increase profit a firm minimizes	A. Revenues B. Costs C. Demand D. Supply
225	The record of visible and invisible items on international account is called	A. Balance of payment B. Balance of trade C. Balance of budget D. Capital account
226	Which factor combines other three factors ?	A. Land B. Labour C. Capital D. Organization
227	A system where the goods are exchanged with money is known as:	A. Monetary system B. Barter system C. Coins system D. Modified system
228	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
229	The budget period in public finance is	A. six months B. one year C. two years D. five years
230	Who said that economics is science of unlimited wants and limited means	A. Adam Smith B. Marshall C. Pigou D. Robbins
231	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
232	When price decreases, supply	A. Extends B. Contracts C. Becomes zero D. Remains fixed
233	The goods which can be used in place of each other, are called	A. Complimentary goods B. Substitute goods C. Alternative goods D. Jointly demanded goods
234	If demand falls more proportionately then that of supply then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity increases
235	Kinds of supply according to period of time are	A. Two B. Three C. Four D. Five
236	Convertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
237	Foreign exchange is used in	A. Local trade B. Regional trade C. Domestic trade D. International trade
238	Under monopoly, the slope of MR curve is:	A. Twice the slope of AR curve B. Less than the slope of AR curve C. Greater than the slope of AR curve D. Half the slope of AR curve
239	If supply does not change, then due to rise of demand	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases

240	Adam Smith belongs to:	A. Poland B. Scotland C. Ireland D. Holland
241	If elasticity of supply is less than unity then extending supply curve downward, it passes through or crosses	A. y-axis B. x-axis C. Point of origin D. Becomes vertical
242	In which direction demand and supply curves move	A. Same B. Opposite C. parallel D. Horizontal
243	Supply curve shifts due to better technique of production	A. Rightward B. Leftward C. Does not change D. Vertical
244	When average product increases, marginal product is:	A. Also increases B. Decreases C. Zero D. Negative
245	Usually market price is _____ normal price	A. Equal to B. Less than C. More than D. None of these
246	Non elastic demand curve is	A. positive B. negative C. vertical D. horizontal
247	Which economist said that, economics cannot be separated from spiritual values?	A. Marshall B. Robbins C. Adam smith D. Voton
248	Under perfect competition average revenue is always - - - marginal revenue	A. Equal to B. Less than C. More than D. None of three
249	Money which can be converted into cash money is known is:	A. Near money B. Paper money C. Legal tender money D. Token money
250	Net National product is equal to	A. GNP + Depreciation expenditure B. GDP + Depreciation expenditure C. GNP - Depreciation expenditure D. GDP - Depreciation expenditure
251	Relationship between price of a commodity and demand for it exists	A. Positive B. Inverse C. Indirect D. None of these
252	If 30% change in supply in response to 50% change in price then:	A. $E_s = 0$ B. $E_s = 1$ C. $E_s > 1$ D. $E_s < 1$
253	The factor of production which is used to produce more wealth or increase income is called	A. Land B. Labour C. Capital D. Organization
254	To measure national income is used	A. Product method B. Incomes of the factor method C. Expenditure method D. All the three
255	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
256	Walker, senior and Malthus belonged to school of thought	A. Classical B. Neo classical C. Keynesian D. None of these
257	Because of devaluation of currency of a country, its exports	A. Decrease B. Increase C. Remains constant D. Go on changing

258	MRP curve is slopping:	A. Negative B. Positive C. Downward D. Both a and c
259	Consumer's equilibrium takes place at that point where:	A. MU is negative B. MU is positive C. TU is maximum D. MU is maximum
260	Law of increasing return is also known as:	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
261	A firm is in equilibrium, where:	A. $AR = MR$ B. $AC = MC$ C. $AC = MR$ D. $MC = MR$
262	The subject matter of Macro Economics is	A. Consumer's behavior B. International trade C. Firm's behavior D. Price mechanism
263	Rise of supply can be shown with the help of	A. A supply curve B. More than one supply curves C. Fixed supply curve D. Vertical supply curve
264	Net national product is found by	A. Subtracting tax from gross national product B. Subtracting transfer payments from gross national product C. Subtracting depreciation allowance from gross national product D. Subtracting subsidies from gross national product
265	In monopoly, when total revenue of a firm is maximum, then its marginal revenue is	A. Maximum B. Minimum C. Zero D. Negative
266	Which kind of budget is better during the situation of deflation	A. Deficit budget B. Surplus budget C. Balanced budget D. National budget
267	If an entrepreneur does service, in economics it is called	A. Organization B. Discipline C. Labour D. Wage
268	The demand curve slopes	A. upwards B. Horizontal C. vertical D. downward to the right
269	Study of small units of the economoy is known is:	A. Micro economics B. Macro economics C. Applied economics D. All of them
270	A big change in demand and price is called:	A. PointElasticity of demand B. ArcElasticity of demand C. CrossElasticity of demand D. PriceElasticity of demand
271	Price determined with the equilibrium of demand and supply on some day	A. Short period price B. Long period price C. Market price D. Normal price
272	Micro economics studies related to	A. National income B. Unemployment C. Trade cycle D. Consumer's behavior
273	Initial utility of a product is:	A. Highest B. Lowest C. Constant D. All of these
274	Cheque is which kind of money:	A. Credit money B. Paper money C. Standard money D. Legal movev

275	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them
276	If the percentage change in supply is more than the percentage change in price, then elasticity of supply is called	A. Equal to unity B. Less than unity C. More than unity D. Infinite
277	In macro economics, what kind of problems can be discussed	A. International trade B. Consumers behavior C. Problems of a firm D. Determination of price
278	One of the following is not monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in ratio of reserve capital D. To create constant situation
279	Who did give economics the status of positive science	A. Marshall B. Robbins C. Cannon D. Pareto
280	Causes of shifting in supply curve is:	A. Change in technique B. Change in cost C. Change in tax D. All of them
281	Payment of zakat is compulsory for ----- living in Islamic Country	A. Every person B. Every Muslim C. Only Poor Muslim D. Only Sahib-e-Nisab Muslim
282	If demand is not influenced by the changes in price, elasticity of demand will be	A. Equal to unity B. More than unity C. Less than unity D. Zero
283	If the demand for commodity being produced increases, then a firm in the short run ----- its variable factors	A. Increases B. Decreases C. Keeps the same D. None of three
284	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC
285	Zakat means:	A. Deduction B. Growth C. Purification D. Both b and c
286	Usually elasticity of demand in equilibrium situation under monopoly is	A. Equal than unity B. Less than unity C. more than unity D. Zero
287	The money whose face value and intrinsic value are different	A. Token money B. Standard money C. Legal money D. Near money
288	When total production is maximum, marginal product is:	A. Positive B. Negative C. Zero D. Infinite
289	Reserve price of a commodity is that price	A. Which is more than the cost of production of the seller B. At which the seller sells his commodity tn the market C. Which is equal to the cost of production of the seller D. Below which the seller is not ready to sell his commodity
290	Under perfect competition in the long run a firm	A. Always earns abnormal profit B. Always earns normal profit C. Usually earns abnormal profit D. Usually faces loss
291	Founder of classical school of thought was	A. Adam smith B. Marshall C. Robbins

		D. Keynes
292	Cause of shifting of supply curve is	A. Change in price B. Other factors C. Change in tax D. Change in income
293	Phases of trade cycle are:	A. Three B. Four C. Five D. Six
294	Under consumption or over saving theory is presented by	A. Prof Hobson, Foster and Catchings B. Prof Hawtrey C. Prof Keynes D. Prof Jevons
295	If supply of a commodity changes by 10% due to 10% change in its price, then elasticity of supply will be	A. Equal to unity B. More than unity C. Less than unity D. Zero
296	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
297	Balance of payment of a country is favourable when its	A. Receipts are more than payments B. Receipts are less than payments C. Receipts are equal to payments D. None of three
298	If 50% change in supply in response to 50% change in price then:	A. $E_s = 0$ B. $E_s = 1$ C. $E_s > 1$ D. $E_s < 1$
299	In perfect competition the average revenue curve is	A. Vertical B. Horizontal C. Rising D. Declining
300	Unitary method is also known as:	A. Total revenue B. Total satisfaction C. Total utility D. Total expenditure
301	When AC is rising:	A. $AC = MC$ B. $MC > AC$ C. $MC < AC$ D. Both (b) and (c)
302	A system where the goods are exchange with goods is known as:	A. Monetary system B. Barter System C. Coins system D. Goods system
303	Marginal utility at the point of satiety is	A. Zero B. Positive C. Negative D. Initial
304	If we multiply marginal product with price we get:	A. MFC B. MRP C. TVC D. Both a and b
305	When average cost curve is rising, then marginal cost curve	A. Remains below it B. Remains above it C. Remains parallel to it D. Is vertical
306	Other things remaining the same, marginal utility of a commodity diminishes with its continuous consumption. This law is called	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of decreasing return
307	"The study of nature and principles of government expenditures and revenue is called public finance" This definition is stated by	A. Bastable B. Armitage Smith C. Ricardo D. Robbins
308	Who did write the book named "General theory of employment, interest and money	A. Robbins B. Pigou C. Keynes D. Cannon

309	National Income is also known as:	A. National product B. Total expenditure C. Total population D. Both a and b
310	Applied on agriculture immediately	A. Law of increasing return B. Law of substitution C. Law of decreasing return D. Law of decreasing cost
311	Which one of the following is not included in the methods of measuring national income	A. Method of total according to market prices B. Method of total of incomes C. Method of total of domestic necessities and desires D. Method of total expenditures
312	Which economist stated that utility is not measurable	A. Adam Smith B. Marshall C. Cannon D. Hicks
313	Demand for Giffen goods is:	A. Negative B. Vertical C. Positive D. All of them
314	Nature of inter-relationship of average revenue and marginal revenue under perfect competition is	A. Average revenue remains more than marginal revenue B. Average revenue remains less than marginal revenue C. Marginal revenue remains less than average revenue D. Average revenue remains equal to marginal revenue
315	According to which economist some trade cycles complete their cycle during a period of fifty years or sixty years	A. Prof Kitchen B. Prof Jugglar C. Prof Pigou D. Prof Kondratieff
316	During boom	A. Business contracts B. Unemployment increase C. Profit decreases D. Profit increases
317	Amount of money attained by selling marginal product is called	A. Average revenue product B. Marginal revenue product C. Total revenue product D. None of three
318	The number of laws of cost are	A. One B. Two C. Three D. Four
319	Reward of capital is called	A. Rent B. Wage C. Interest D. Profit
320	Marginal productivity theory was presented by:	A. Pigou and Cannon B. Adam Smith and F.A. Walker C. Keynes and Semeulson D. Marshall and J.B. Clark
321	What is meant by demand for a commodity in economics	A. To desire for a commodity B. To have power to buy C. To have power to buy a commodity with desire D. Quantity of a commodity
322	When demand and supply rise equally then equilibrium price	A. isles B. is more C. Remains the source D. Zero
323	When no satisfaction is attained by the consumption of a commodity, its marginal utility is	A. Zero B. Positive C. Negative D. Minimum
324	Who said that economics is science of wealth	A. Adam smith B. Robbins C. Marshall D. Pigou
325	_____ is the sum of individual demands for a commodity.	A. Individual demand B. Market demand

325	Quantity of a commodity which a person is ready to purchase at a particular price, is called	C. Supply D. Market Supply
326	Which one of the following is included in balance of trade	A. Visible goods B. Invisible goods C. Visible & invisible goods D. All the three
327	At shut down position:	A. $AC = AR$ B. $AVC = AR$ C. $AVC < AR$ D. $AVC > AR$
328	If there is big change in Price and demand, it is called	A. Arc elasticity B. Point elasticity C. Income elasticity D. Cross elasticity
329	The purchasing power of money is called	A. value of money B. Medium of exchange C. quantity of money D. credit money
330	One of the following is not the method to control deflation	A. Decrease in public expenditures B. Decrease in interest rate C. Decrease in income tax D. increase in exports
331	Oligopoly means:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
332	Firms equilibrium is at that point where	A. $MC=AR$ B. $MC=MR$ C. $MC=AVC$ D. $MC=AC$
333	In production process, when units of variable factors along with fixed factor of production are increased, marginal product goes on falling, this tendency in economics is called	A. Law of decreasing return B. Law of increasing return C. Law of production D. Law of constant return
334	If the demand for a commodity is more elastic, then an entrepreneur in order to increase his profit	A. Will increase its price B. Will decrease its price C. Will not change its price D. None of these
335	If the rate of change in price and quantity demand is in equal ratio, then Elasticity of demand is:	A. Equal to zero B. Equal to one C. Smaller than one D. Greater than one
336	Dividing total fixed costs by the units of output, is attained	A. Average fixed cost B. Average variable cost C. Average cost D. Marginal cost
337	Utility of the last unit of a commodity consumed is called	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
338	Price is determined under perfect competition	A. By sellers B. By buyers C. By government D. By forces of demand and supply
339	Which one of the following is not included in the assumptions of law of supply	A. taste of consumer B. cost of production C. Methods of production D. price of raw material
340	Utility can not be measurable who has said	A. Marshall B. Hicks C. Pigou D. Adam Smith
341	If supply does not change, then due to rise in demand, equilibrium price.	A. Increases B. Decreases C. Does not change D. Becomes zero
342	There exists a relationship between inflation and deflation	A. Increasing B. Inverse C. Indirect D. None of three

343	One of the following is not the characteristic of money	A. General acceptability B. Durability C. Non homogeneity D. Convertibility
344	During depression, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced
345	Relationship of level of prices and quantity of money	A. Positive B. Negative C. Indirect D. 2nd and 3rd both
346	The cause of shifting of supply curve is	A. Change in price B. Other factors C. change in serving D. change in demand
347	According to Prof. Kitchen a trade cycle completes in	A. Two years six months B. Three years or Fifty years C. Fifty years or Sixty years D. Sixty years or Seventy years
348	If price of a commodity remains constant but its supply decreases or price increases but supply remains constant, it is called	A. Rise of supply B. Extension of supply C. Fall of supply D. Contraction of supply
349	Comparative cost theory was presented by	A. Marshall B. Ricardo C. Hecksher D. Ohlin
350	According to whom economist, National income is the name of the total of production of goods and services	A. Adam smith B. Marshall C. Fisher D. Pigou
351	Which economist said that abundance of definitions has pressed the neck of economics	A. Adam Smith B. Robbins C. Keynes D. Pigou
352	Fixed costs are those costs of production which	A. Rise with quantity of output B. Do not change with any amount of production C. Decline with rising production D. None of these
353	A firm gains normal profit, where:	A. $P=AC$ B. $P>AC$ C. $P<AC$ D. $AC>AR$
354	The factor which is needed to produce goods by the combination of land, labour and capital is called	A. Land B. Labour C. Capital D. Organization
355	Which characteristic is not found in economic laws	A. Not quantitative B. Cannot be predicted C. No punishment in case of going against law D. Definite and universal
356	Which one of the following public expenditures is related to transport	A. Police B. Defence C. Railway D. Public education
357	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
358	Some inferior goods having expensive substitutes are known as:	A. Economic goods B. Giffen goods C. Non-economic goods D. Free goods
359	Market equilibrium is attained when there exists in the market	A. Perfect competition B. Imperfect competition C. Monopoly D. Large quantity of commodity comes in the market

A. $AR \neq MR$

360	Under perfect competition:	<p>A. $AR < MR$</p> <p>B. $AR = MR$</p> <p>C. $AR > MR$</p> <p>D. All of three</p>
361	Modern theory trade cycle was presented by:	<p>A. Hawtrey</p> <p>B. Habson Foster</p> <p>C. Jevons</p> <p>D. J.R Hicks</p>
362	Private individuals can get loan from	<p>A. Their relatives, friends and domestic financial institutions</p> <p>B. Foreign financial agencies</p> <p>C. Foreign government</p> <p>D. International financial institutions</p>
363	Supply of goods depends on	<p>A. price</p> <p>B. income</p> <p>C. income and price</p> <p>D. utility</p>
364	The unit of money by which the value of goods and services is expressed is called	<p>A. Paper money</p> <p>B. Money of account</p> <p>C. Legal tender money</p> <p>D. Near money</p>
365	Inflation is created	<p>A. When demand for goods is less than their supply</p> <p>B. When demand for goods is more than their supply</p> <p>C. When demand for goods becomes equal to their supply</p> <p>D. When demand and supply of goods do not change</p>
366	Which economist did name economics as neutral science	<p>A. Pigou</p> <p>B. Keynes</p> <p>C. Robbins</p> <p>D. Marshall</p>
367	If demand does not change, then due to fall of supply	<p>A. Equilibrium price increases</p> <p>B. Equilibrium price decreases</p> <p>C. Equilibrium quantity increases</p>
368	By which money business dealing has become easy	<p>A. Metallic money</p> <p>B. Paper money</p> <p>C. Credit money</p> <p>D. Near money</p>
369	How many kinds of science are	<p>A. Two</p> <p>B. Three</p> <p>C. Four</p> <p>D. Five</p>
370	The trade that takes place between the inhabitants of two countries is called	<p>A. Domestic trade</p> <p>B. International trade</p> <p>C. National trade</p> <p>D. Regional Trade</p>
371	Consumer's behaviour means:	<p>A. Selection</p> <p>B. Purchase</p> <p>C. Sale</p> <p>D. Both (a) and (b)</p>
372	National income at factor cost is equal to:	<p>A. G.N.P - Subsidies + taxes</p> <p>B. N.N.P - Direct tax + Subsidies</p> <p>C. G.D.P - Subsidies + taxes</p> <p>D. N.N.P - Indirect tax + Subsidies</p>
373	Private individuals are not allowed to fulfil their needs	<p>A. To get loans from the friends</p> <p>B. To get financial help from the relatives</p> <p>C. To get loans from the domestic financial institutions</p> <p>D. To print notes</p>
374	The second name of law of constant return is	<p>A. Law of decreasing cost</p> <p>B. Law of increasing cost</p> <p>C. Law of cost</p> <p>D. Law of constant cost</p>
375	Mental or physical work undertaken for reward by human being is called	<p>A. Land</p> <p>B. Labour</p> <p>C. Capital</p> <p>D. Organization</p>
376	The term "inflation" means:	<p>A. Rapid increase in price level</p> <p>B. Decrease in price level</p> <p>C. General increase in price level</p> <p>D. None of these</p>

		D. Both a and c
377	On which of the following law of diminishing marginal utility is applicable	A. Money and wealth B. Historical articles C. Normal goods of need D. Narcotics
378	What is the reward of Labour ?	A. Rent B. Wage C. Interest D. Profit
379	If two goods are complimentary, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
380	Long run average cost curve is:	A. Planning curve B. Envelope curve C. Flatter curve D. All of three
381	Methods for measurement of national income are:	A. Two B. Three C. Four D. Five
382	When total production decreases, marginal product is:	A. Positive B. Negative C. Zero D. Infinite
383	Cannon,. Pigou and Pareto belonged to school of thought	A. Classical B. Neo classical C. Keynesian D. None of these
384	National income is total of	A. Incomes of all entrepreneurs of the country B. Incomes of all industrialists of the country C. Incomes of all salaried persons of the country D. Incomes of all the people of the country
385	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
386	Prof Fisher presented quantity theory of money in the form of an equation in	A. 1905 B. 1911 C. 1915 D. 1917
387	The cause of rise and fall of demand is	A. income B. price C. population D. Both 1st and 3rd
388	A firm is in equilibrium when its	A. Marginal revenue is equal to marginal cost B. Marginal revenue is more than marginal cost C. Marginal revenue is less than marginal cost D. Marginal revenue is equal to average cost
389	The trade that takes place between the individuals living in different areas of a country is called	A. Domestic trade B. International trade C. Foreign trade D. Regional Trade
390	Under decreasing return, the slope of marginal product curve is	A. Negative B. Positive C. Infinite D. Zero
391	If demand rises more proportionately than that of supply, then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases
392	Which one of the following is direct tax	A. Sales tax B. Import duty C. Export duty D. Income tax

393	Which is subtracted from gross national product to find gross domestic product	A. Depreciation allowance B. Net income received from foreign sources C. Indirect taxes D. Transfer payments
394	At last, indirect tax is paid by	A. Shopkeeper B. Entrepreneur C. Customer D. Whole-seller
395	Which law is applied when marginal utilities of all the purchased goods become equal to each other	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of increasing return
396	One is not included in measuring National income	A. Wage of labour B. services of house lady C. Agricultural production D. Industrial production
397	Exceptions, or limitations of law of demand have been stated by	A. Professor Marshall B. Professor Adam Smith C. Professor Benham D. Professor Robbins
398	"A trade cycle is fluctuation in employment, production and prices" This definition of Trade cycle is stated by	A. Prof Keynes B. Prof Mitchell C. Prof Hanson D. Prof Haberler
399	Cause of shifting of demand curve is	A. Change in price B. Desire C. Other factors D. Exceptions
400	Which one factor is free gift of nature ?	A. Land B. Labour C. Capital D. Organization
401	Wealth tax, income tax, property tax etc are	A. Direct taxes B. Indirect taxes C. Proportional taxes D. Progressive taxes
402	Which is not studied in macro economics ?	A. National income B. Money and banking C. Consumer's behavior D. Public finance
403	The formula of calculating total revenue is	A. $P \times Q$ B. $P \times AC$ C. $AC \times Q$ D. TC / Q
404	Who did present formula to measure Arc elasticity of demand	A. Adam Smith B. Marshall C. Allen D. Keynes
405	On which amount Zakat is payable	A. Twenty thousand rupees B. On the amount equal to the value of 7.5 tola gold or 52.5 tola silver C. On fifty thousand rupees D. On one lac rupees
406	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
407	The percentage part of the agricultural produce is payable as Zakat which is irrigated by natural water	A. 5% B. 10% C. 15% D. 20%
408	To derive economic laws deductive method was adopted by	A. Classical school of thought B. Neo classical school of thought C. Historical school of thought D. Modern school of thought
409	Expenses of wears and tears of machinery are called	A. Productive expenses B. Non productive expenses C. Wages D. Depreciation expenses

A. Parallel to ox-axis
B. Parallel to ay-axis

410	In the short period, fixed cost curve has the tendency	B. Parallel to y-axis C. Positive D. Negative
411	Theory of innovations was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. J.R Hicks
412	The exchange of goods and services within a country is known as:	A. Local trade B. Internal trade C. Domestic trade D. All of these
413	In case of international trade, trade restrictions are usually	A. Limited B. More C. Too much D. None of three
414	The name of first law of consumption is	A. Law of demand B. Law of diminishing marginal utility C. Law of equi marginal utility D. Law of supply
415	When supply curve shifts rightward or down it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
416	Indirect taxes become cause of	A. Increase in prices B. Decrease in prices C. Stability of prices D. Change in prices
417	Economics is basically divided into two parts	A. Micro and macro economics B. Micro and applied economics C. Theoretical and applied economics D. Welfare and applied economics
418	If tax rate increases with increase in income level:	A. Direct tax B. Indirect tax C. Progressive tax D. Proportional tax
419	Elasticity of demand for luxuries is	A. Equal to unity B. More than unity C. Less than unity D. Zero
420	If income is more than its expenditure then it is a:	A. Surplus budget B. Deficit budget C. Development budget D. Balanced budget
421	If quantity demanded for a commodity changes due to the change in income, it is called	A. Price elasticity B. Point elasticity C. Cross elasticity D. Income elasticity
422	How many kinds are of positive economics	A. Two B. Three C. Four D. Five
423	The power of a good or service to satisfy a human want is called:	A. Value B. Price C. Utility D. All of them
424	After achieving point of Satiation the total utility starts	A. Rising B. Declining C. Remains constant D. None of these
425	Which law is applicable when human and natural forces are balance ?	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
426	Quantity of a commodity which the consumers are ready to purchase at a particular price, is called	A. Demand B. Supply C. Stock D. Demand and supply
427	Over investment and over saving theory was given by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. Hawtray

428	One of the following precautions is not included in measurement of national income by product method	A. To subtract depreciation allowance B. To subtract indirect taxes C. Not to include transfer payments D. To include subsidies
429	Demand for necessities of life is	A. Less elastic B. More elastic C. Perfectly elastic D. Perfectly inelastic
430	" International balance of payment is all that transaction for which either foreign exchange is spent or received." This definition is stated by	A. Prof. Marshal B. Prof. Samuelson C. Prof. Ricardo D. Prof. Hicks
431	One of the following is not included in balance of trade:	A. Invisible goods B. Visible goods C. Services D. Both a and c
432	If there are large number of firms in some particular industry, then situation is called	A. Perfect competition B. Imperfect competition C. Monopoly D. Monopolistic competition
433	Dividing total revenue by the sold units of output, is attained	A. Average revenue B. Marginal revenue C. Total revenue D. Average cost
434	According to which economist, some factors are indivisible	A. Adam Smith B. Marshall C. Davenport D. Hobson
435	The money whose face value and intrinsic value are equal, is called	A. Token money B. Standard money C. Paper money D. Credit money
436	Marshall belonged to the country	A. America B. England C. France D. Japan
437	One of the following is not fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in taxes C. Encouragement of savings D. Increase in investment
438	Under monopoly the slopes of AR and MR are:	A. Zero B. Positive C. Negative D. None of three
439	Which money is not legally backed	A. Metallic money B. Paper money C. Credit money D. Near money
440	Free gift of nature is	A. Land B. Labour C. Capital D. Organization
441	One of the following is not included in the branches of public finance	A. Public revenue B. Welfare of the people C. Public expenditure D. Public debt
442	Which economist did present the concept of macro economics	A. Adam Smith B. Marshall C. Pigou D. Keynes
443	Which statement is called subject matter of economics	A. Problems of working individuals and their solution B. Planning of increase in production C. Unlimited wants and limited means D. Solution of problems of the individuals living away from the society
444	MRP curve of a factor represents:	A. Demand of factors B. Supply of factors C. Price of factors D. Both a and c
		A. Wealth of nations B. Real capital

445	Which book is named "Bible of Capitalism"	B. Das Capital C. Principles of economics D. General theory of employment, interest and money
446	In which phase of Frade cycle level of employment and income becomes very low.	A. Depression B. Recovery C. Recession D. Boom
447	Equilibrium of national income is, when	A. $S > 1$ B. $S = 1$ C. $S < 1$ D. S and 1
448	Unitary method for Elasticity of demand was presented by:	A. Marshall B. Keynes C. Robbins D. Adam smith
449	Public finance and private finance are of each other	A. Opposite B. Synonymous C. Similar & different D. None of three
450	Supply means	A. total money of a specific producer B. Number of buyers C. quantity of goods offered for sale at different prices D. purchasing power of quantity supplied
451	One of the following is not the cause of deflation	A. Decrease in demand for goods B. Decrease in consumption C. Increase in quantity of money D. Increase in supply of goods
452	Monopolist firm in the long run	A. Always faces loss B. Usually faces loss C. Usually earns normal profit D. Always earns abnormal profit
453	The relationship between price and quantity supplied is:	A. Inverse B. Positive C. Infinite D. Zero
454	Shape of market supply curve is	A. Horizontal or parallel to ox curve B. Vertical or parallel to oy curve C. Positively sloping D. Negatively sloping
455	Direct taxes are not included in:	A. Personal income B. G.N.P C. G.D.P D. Disposable personal income
456	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
457	Next best alternative use of resources is known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
458	Finance minister in order to increase the public revenue, imposes tax on the commodities whose demand is less elastic	A. At low rate B. At high rate C. Some times decreases the tax rate and some times increases the tax rate D. Does not change tax rate
459	When price increases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
460	Which thing should be added in net national product to get gross national product	A. Direct taxes B. Indirect taxes C. Depreciation allowance D. Subsidies
461	At equilibrium price, demand and supply	A. Increase B. Become equal C. Decrease D. are different

A. Is positive

462	When total product increases, marginal product	<p>A. Is positive</p> <p>B. Is negative</p> <p>C. May be positive or negative</p> <p>D. Is zero</p>
463	In order to satisfy some wants, more than one commodities are needed. Demand for such commodities is called	<p>A. Joint demand</p> <p>B. Composite demand</p> <p>C. Derived demand</p> <p>D. Direct demand</p>
464	When marginal product remains positive, total product	<p>A. Goes on decreasing</p> <p>B. Goes in increasing</p> <p>C. Becomes negative</p> <p>D. Does not change</p>
465	On which of the following law of diminishing marginal utility is applicable	<p>A. Money and wealth</p> <p>B. Diamonds and jewels</p> <p>C. Goods of fashion</p> <p>D. Necessities of life</p>
466	Balance of payments is annual statistical record of	<p>A. Visible goods</p> <p>B. Invisible goods</p> <p>C. Foreign loans</p> <p>D. Visible and invisible goods</p>
467	Rent of the building, interest of the capital and salaries of the permanent staff etc are called	<p>A. Fixed costs</p> <p>B. Variable</p> <p>C. Marginal cost</p> <p>D. Average cost</p>
468	Over investment theory is presented by	<p>A. Pigou</p> <p>B. Hawtray</p> <p>C. Hayek, Mises and Cassel</p> <p>D. Prof Jugglar</p>
469	Micro economics studies related to:	<p>A. National income</p> <p>B. Unemployment</p> <p>C. Trade cycle</p> <p>D. Consumers behaviour</p>
470	Demand for factors of production is	<p>A. Direct</p> <p>B. Derived</p> <p>C. Positive</p> <p>D. Negative</p>
471	Founder of modern school of thought:	<p>A. Adam smith</p> <p>B. Marshall</p> <p>C. Ricardo</p> <p>D. Robbins</p>
472	Balance of payment of a country is balanced when its	<p>A. Receipts are more than payments</p> <p>B. Receipts are less than payments</p> <p>C. Receipts are equal to payments</p> <p>D. None of three</p>
473	Which one is not condition of perfect competition	<p>A. Homogeneity of good</p> <p>B. Difference in price of good</p> <p>C. Large number of buyers and sellers</p> <p>D. Perfect knowledge of market</p>
474	Which one of the following represents fixed cost	<p>A. Price of raw material</p> <p>B. Wages</p> <p>C. Capital goods</p> <p>D. Wages of permanent labour</p>
475	World economic depression accured in	<p>A. 1927</p> <p>B. 1928</p> <p>C. 1929</p> <p>D. 1931</p>
476	Law of decreasing return is also known as:	<p>A. Increasing cost</p> <p>B. Constant cost</p> <p>C. Diminishing cost</p> <p>D. Both (a) and (c)</p>
477	Production of the last unit of a factor of production is called	<p>A. Total product</p> <p>B. Average product</p> <p>C. Marginal product</p> <p>D. Positive product</p>
478	The concept of utility is:	<p>A. Subjective</p> <p>B. Moral</p> <p>C. Objective</p> <p>D. Neutral</p>
479	One of the following is not included in the characteristics of land	<p>A. Land is a gift of nature</p> <p>B. All the pieces of land are not equal</p> <p>C. Land is not a factor of production</p> <p>D. Land is not a source of income</p>

		<p>C. Productive capacity of land is limited</p> <p>D. Supply of land is unlimited</p>
480	Because of indirect taxes, prices	<p>A. Decrease</p> <p>B. Remain constant</p> <p>C. Increase</p> <p>D. Do not change</p>
481	Founder of new classical school of thought was	<p>A. Adam smith</p> <p>B. Marshall</p> <p>C. Robbins</p> <p>D. Keynes</p>
482	Terms of trade (TOT) means:	<p>A. Imports multiply exports</p> <p>B. Imports plus exports</p> <p>C. Exports divided by imports</p> <p>D. Imports minus exports</p>
483	When there are small and minor changes in price and demand then	<p>A. Price elasticity</p> <p>B. Income elasticity</p> <p>C. Cross elasticity</p> <p>D. Point elasticity</p>
484	The second name of law of increasing return is	<p>A. Law of cost</p> <p>B. Law of increasing cost</p> <p>C. Law of decreasing cost</p> <p>D. Law of constant cost</p>
485	Utility is related with	<p>A. Usefulness</p> <p>B. Useless</p> <p>C. Necessities</p> <p>D. Desire</p>
486	Study of large units of the economy is known as:	<p>A. Micro economics</p> <p>B. Macro economics</p> <p>C. Applied economics</p> <p>D. All of them</p>
487	Annual rate of Zakat on cash and trading goods is	<p>A. 2.0%</p> <p>B. 2,5%</p> <p>C. 3.0%</p> <p>D. 3.5%</p>
488	The sector of production, in which nature and human beings play an equal role, there is applicable	<p>A. Law of decreasing return</p> <p>B. Law of decreasing cost</p> <p>C. Law of increasing return</p> <p>D. Law of constant return</p>
489	The best definition of money is stated by	<p>A. Marhsall</p> <p>B. Crowther</p> <p>C. Keynes</p> <p>D. Walker</p>
490	Net foreign income means:	<p>A. Import - Exports</p> <p>B. Exports - Imports</p> <p>C. Import + Exports</p> <p>D. Income from imports</p>
491	According to Pigou national income is that part of material wealth	<p>A. Which can be stored easily</p> <p>B. Which can be measured by the scale of money</p> <p>C. Which have volume and surrounds</p> <p>D. Which is exported</p>
492	Marginal utility always:	<p>A. Decreases</p> <p>B. Increases</p> <p>C. Zero</p> <p>D. Negative</p>
493	In which phase of a trade cycle national product, wages, prices and profits reach at their peak	<p>A. Recovery</p> <p>B. Boom</p> <p>C. Recession</p> <p>D. Depression</p>
494	Number of factors of production is	<p>A. One</p> <p>B. Two</p> <p>C. Three</p> <p>D. Four</p>
495	Shut down point appears, when	<p>A. $AVC=AR$</p> <p>B. $AVC>AR$</p> <p>C. $AVC<AR$</p> <p>D. $AC=AR$</p>
496	Other term used for demand for factor is:	<p>A. Initial demand</p> <p>B. derived demand</p> <p>C. Direct demand</p> <p>D. Cross demand</p>

497	Who did say that Economics is science of material welfare	A. Adam smith B. Marshall C. Ricardo D. Robbins
498	Market equilibrium is determined when	A. Demand = supply B. Demand > supply C. Demand < supply D. Demand = zero
499	Study of large aggregated of economic system is called	A. Micro economics B. Macro economics C. Applied economics D. All the three
500	Prices during the situation of inflation	A. Increase B. Decrease C. Do not change D. Become zero
501	Who said that economics is the science of wealth ?	A. Adam Smith B. Robbins C. Marshall D. Pigou
502	When general price level increases due to increase in aggregate demand, it is known as?	A. Stagflation B. Hyper inflation C. Demand pull inflation D. Cost push inflation
503	If supply is fixed then due to fall of demand	A. Equilibrium price decreases B. Equilibrium quantity increases C. Equilibrium price increases D. Equilibrium price does not change
504	Number of firms under monopoly is	A. One B. Two C. Three D. Four
505	Inflation is useful for	A. Labourer B. Consumers C. Industrialist D. Pensioners
506	Individuals of a country produce a certain quantity of goods and services using the resources of the country with the help of their capital, it is called national income this definition is presented by	A. Professor Marshall B. Professor Paul A Samuelson C. Professor Fisher D. Professor Pigou
507	Quantity theory of money was introduced by:	A. Fisher B. Marshall C. Crowther D. J.S Mill
508	In which phase of a trade cycle production, employment, wages and rate of interest etc start rising gradually	A. Boom B. Depression C. Recovery D. Recession
509	Curve of law of diminishing marginal utility	A. Moves from left to right downward B. Moves from left to right upward C. Firstly it has a tendency to rise up and after a certain limit it starts falling D. It is parallel to ox-axis
510	Supply curve moves from left to right upward, this tendency is called	A. Negative B. Positive C. Horizontal D. Vertical
511	----- is not included in gross domestic product	A. Private investment B. Income received from foreign country C. Depreciation allowance D. Govt. investment
512	Which phase starts with the increase in expected rate of profit	A. Depression B. Recovery C. Boom D. Recession
513	Demand for the commodities having different uses	A. Less elastic B. More elastic C. Perfectly inelastic D. Infinitely elastic

514	In law of constant return, marginal product	A. Increases B. Decreases C. Remains constant D. Remains changing
515	One of the following is not included in the characteristics of labour	A. Labour and labourer cannot be separated B. Labour can be stored C. Labour has limited mobility D. Supply of labour is inelastic
516	Branches of public finance are	A. Two B. Three C. Four D. Five
517	If income of the government is more than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
518	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
519	The tax whose burden can be shifted to the customers, is called	A. Proportional tax B. Progressive tax C. Direct tax D. Indirect tax
520	The price of a currency expressed in terms of another currency is known as:	A. Devaluation B. Depreciation C. Value of money D. Exchange rate
521	Elasticity of demand for durable goods is	A. More elastic B. Less elastic C. Infinite D. Zero
522	A monopolistic firm has control of	A. Whole market supply by one firm B. Whole market supply by two firms C. Whole market supply by a few firms D. None of these
523	One of the following is not disadvantage of international trade	A. Dependence on production of limited goods B. Supply of goods injurious to health C. Bitter pill for political freedom D. Development of civilization & culture
524	How many theories of trade cycle are there:	A. Two B. Three C. Four D. Five
525	Short run cost curves are generally	A. flatter B. u shaped C. saucer shaped D. oval
526	Which one of the following does not exist during deflation	A. Production decreases B. Value of money increases C. Supply of goods and services increases from their demand D. Level of employment increases
527	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
528	Zakat is part of the present income	A. 20th B. 30th C. 40th D. 50th
529	Due to fall in demand, curve shifts to	A. Right B. Left C. Both sides D. None of these
530	Elasticity of supply if perishable goods is	A. Equal to unity B. More than unity C. Less than unity D. Zero

531	If the income and expenditures of the government are equal, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
532	When marginal utility is positive, total utility:	A. Decreases B. Increases C. Zero D. All of them
533	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
534	Quantity theory of money in the form of an equation was presented by	A. Prof Fisher B. Prof Taussig C. Prof Marshall D. Prof Renald
535	The difference between total revenue (TR) and total cost (TC) is called	A. Loss B. Profit C. Profit or loss D. Utility
536	The money which is not in the form of net cash and is not used at once for business dealing is called	A. Near money B. Legal Tender money C. Credit money D. Paper money
537	One rupee note in paper money is	A. Inconvertible paper money B. Convertible paper money C. Limited legal tender money D. Unlimited legal tender money
538	Economics studies human behaviour from	A. Individual angle B. Collective angle C. Individual & Collective angle D. None
539	If tax rate decreases with the increase in income level:	A. Direct tax B. Indirect tax C. Progressive tax D. Regressive tax
540	Usher is levied on	A. Cash amount B. Goats and sheep C. Trading goods D. Agricultural production
541	Which economist said that the term demand for money should be used instead of circulation of money	A. Prof Keynes B. Prof Marshall C. Prof Crowther D. Prof Fisher
542	Supply curve slope is:	A. Positive B. Vertical C. Negative D. Horizontal
543	Which side of life of human being is analysed in economics	A. Political B. Social C. Economic D. Moral
544	Who did name economics as science of satisfying unlimited wants with limited means	A. Marshal B. Adam Smith C. Robbins D. Pigou
545	All Pakistani coins are	A. Token money B. Standard money C. Convertible money D. Inconvertible money
546	Zakat means	A. Growth B. Purification C. Tax D. Both 1st and 2nd
547	Economics is concerned with the attainment of material requisites	A. Robbins B. Marshall C. Pareto D. Senior
548	If a firm does not produce anything then its variable cost is:	A. Minimum B. Negative C. Maximum

D. Zero

549	The goods on which law of demand does not apply, are called	A. Services B. Goods and services C. Giffin goods D. Capital goods
550	According to law of diminishing marginal utility, Utility of every new (Additional) unit of commodity	A. Increases B. Decreases C. Remains constant D. None of these
551	"Purchasing power of money is inverse of level of prices. So study of purchasing power of money is identical with the study of level of prices." These are the words of	A. Prof Irving Fisher B. Prof Crowther C. Prof Pigou D. Prof Keynes
552	If the most part of total supply of commodity is produced by one firm, it is called	A. Oligopoly B. Monopoly C. Perfect competition D. Monopolistic competition
553	If demand for a commodity changes due to change in price of its substitute, it is called	A. Price elasticity B. Point elasticity C. Cross elasticity D. Arc elasticity
554	A textile mill produces 2000 meters cloth. Entrepreneur offers 1500 meters cloth to sell at price Rs 100 per meter and 500 meters cloth keeps with him. Cloth kept by the entrepreneur is called	A. Total production B. Supply C. Stock D. Surplus production
555	Laws of return are	A. Two B. Three C. Four D. Five
556	What type of nature of Zakat is	A. Fixed B. Non fixed C. Elastic D. Changes along with the change in income
557	The factor of production which is result of human struggle.	A. Land B. Labour C. Capital D. Organization
558	Equilibrium price is determined in.	A. Perfect market B. Imperfect market C. Monopoly D. None of these
559	If 50% change in demand in response of 30% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand < 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
560	Average cost curve is in short run	A. Negative sloped B. U-shaped C. L-shaped D. Positive sloped
561	When average product decreases, marginal product	A. Increases B. Is zero C. Is equal to average product D. Is less than average product
562	When price decreases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
563	Methods to derive economic laws:	A. One B. Two C. Three D. Four
564	Usher is imposed on:	A. Non Muslims B. Agricultural products C. Industrial products D. Idle gold and silver
565	kinds of money are	A. Three B. Four C. Five D. Seven

566	Elasticity of demand for the commodities which have substitutes, is	A. More elastic B. Less elastic C. Infinite D. Zero
567	Study of small units of an economic system is called	A. Micro economics B. Macro economics C. Applied economics D. All the three
568	Factors of production are:	A. Two B. Three C. Four D. Five
569	One of the following is not called land	A. Rain B. Mountain C. Forests D. Mangla Dam
570	If demand did not influence by the change in price, that is called:	A. Elasticity of demand = 1 B. Elasticity of demand ≥ 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
571	A monopolist controls the supply	A. Totally B. Partially C. More D. Not at all
572	The first great depression was appeared in:	A. 1934 B. 1930 C. 1932 D. 1936
573	According to law of supply which factor changes the supply	A. cost of production B. price C. climatic conditions D. level of income
574	Relationship between price and quantity demanded is called	A. Demand schedule B. Demand curve C. Law of demand D. Assumptions of law of demand
575	According to which economist, duration of a trade cycle is 9 to 10 years	A. Prof Kitchen B. Prof Jugglar C. Prof Pigou D. Prof Kondratieff
576	The base of international trade theory of Adam Smith is	A. Absolute advantage B. Comparative cost C. Cheaper cost D. Low cost
577	The interaction of multiplier and accelerator is known as:	A. Innovation theory B. Modern theory C. Psychological theory D. Over investment theory
578	Another term used for "Absolute Advantage Theory" is:	A. Comparative cost theory B. Modern theory C. Both a and b D. Classical theory
579	If supply increase due to increase in price, it is called	A. Extension of supply B. Contraction of supply C. Rise of supply D. Fall of supply
580	Of what nature state laws are	A. Local B. Regional C. National D. International
581	Supply of durable goods is	A. Elastic B. Perfectly elastic C. Perfectly inelastic D. Less elastic
582	Adam Smith presented the basic canons of taxation	A. Two B. Three C. Four D. Five
583	If income of government is less than its expenditures, then it is a	A. Surplus budget B. Deficit budget C. Development budget D. Balanced budget

584	Decrease in the value of local currency as compared to foreign currency is known as:	A. Depreciation B. Devaluation C. Protection D. Depletion
585	If demand and supply both rise in the same proportion, then	A. Equilibrium price decreases B. Equilibrium price does not change C. Equilibrium price increases D. Equilibrium quantity decreases
586	"The nature and significance of economic sciences" was written by:	A. Adam smith B. Marshall C. Robbins D. Canon
587	Which one is not included in macro economics	A. National income B. Employment C. Price D. Investment
588	Quantity supplied of a commodity extends because	A. Population changes B. Change occurs in assumptions of law of supply C. Income of the entrepreneur increases D. Price of the commodity increases
589	What effects are expected on the purchasing power of money during deflation	A. Decreases B. Increases C. Remains constant D. 2nd and 3rd
590	Time period of private finance is:	A. One day B. One week C. One month D. All of these
591	Comparative cost theory is also called	A. Theory of comparison cost B. Theory of specialization of cost C. Theory of balanced cost D. Theory of specialization of production
592	If there is slight change in price and demand, it is called	A. Arc elasticity B. Point elasticity C. Income elasticity D. Cross elasticity
593	What is the reward of Organization ?	A. Rent B. Wage C. Interest D. Profit
594	Intersection of demand and supply curve is called	A. Equilibrium of firm B. Equilibrium of demand C. Equilibrium of supply D. Equilibrium point
595	The term "Price Maker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
596	If supply decreases due to decrease in price, it is called	A. Extension of supply B. Contraction of supply C. Rise of supply D. Fall of supply
597	One of the following is invisible item of balance of payment	A. Import of motor cars B. Exports of cotton C. Expenditure of passengers traveling by air D. Private investment in foreign country
598	Which thing of the following should be subtracted from gross national product to get net national product	A. Direct taxes B. Indirect taxes C. Depreciation allowance D. Income received from foreign country
599	If variable costs of a firm are covered partly under perfect competition, then that firm	A. Will run with normal profit B. Will run with abnormal profit C. Will run with minimum loss D. Will not continue its business and close down

600	Equilibrium level of national income means that point where:	A. Consumption = Saving B. Consumption = Investment C. Saving = Investment D. Income = Saving + Investment
601	Note of 500 rupees is	A. token money B. credit money C. convertible paper money D. inconvertible paper money
602	I.M.F stands for:	A. Internal monetary fund B. International marketing foundation C. International monetary fund D. All of these
603	Economics according to its scope is:	A. Science B. Art C. Science & Art D. Only positive science
604	Utility of a commodity is zero, when	A. Want is satisfied upto a certain extent B. Want is fully satisfied C. Utility is positive D. Want is not satisfied
605	Who said that utility cannot be measured	A. Adam smith B. Marshall C. Keynes D. Hicks
606	Demand for luxuries in	A. Less elastic B. More elastic C. Perfectly elastic D. Perfectly inelastic
607	Monetary theory of trade cycle was given by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. Hawtray
608	Economic point of view of the supporters of which school of thought is the name of feeling and mental state	A. Classical B. Neo classical C. Ancient D. Modern
609	Period in national income counting is	A. One year B. Two years C. Three years D. Four years
610	The rate of change in Qd due to change in price is called:	A. Rise in demand B. Income Elasticity of demand C. Price Elasticity of demand D. Cross Elasticity of demand
611	If supply of a commodity changes by more than 10% due to 10% change in its price, then elasticity of supply will be	A. Equal to unity B. More than unity C. Less than unity D. Infinite
612	Third factor of production is called	A. land B. labour C. capital D. organization
613	One of the following is not include in national income:	A. Transfer payments B. Depreciation C. Wages D. Both a and b
614	When supply increases due to other factors besides price, it is called	A. Extension of supply B. Contraction of supply C. Rise of supply D. Fall of supply
615	The percentage part of the agricultural produce is payable as Zakat which is irrigated by artificial sources	A. 5% B. 10% C. 15% D. 20%
616	Kinds of public expenditures are	A. Two B. Three C. Four D. Five
617	Another name of unitary method is	A. Total satisfaction method B. Total expenditure method C. Total revenue method D. Both 2nd and 3rd

618	When marginal utility is positive, total utility	A. Goes on decreasing B. Goes on increasing C. Does not change D. Is zero
619	Cost of a firm on the optimum combination of factors of production is	A. Minimum B. Maximum C. Reasonable D. Positive
620	In comparative cost or comparative advantage theory, ratio is	A. 1x1 one good one country B. 2x2 two goods two countries C. 1x2 one good two countries D. 2x1 two goods one country
621	The trade transaction between the individuals of different areas of a country is called	A. Local trade B. Regional trade C. Domestic trade D. International trade
622	If the ratio of change in demand is less than the ratio of change in price, elasticity of demand will be	A. More than unity B. Less than unity C. Equal to unity D. Zero
623	The exchange of goods and services from country to country is called	A. Foreign B. National trade C. Corporate trade D. Domestic trade
624	Market equilibrium take place where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
625	Ceteris paribus means:	A. Other things remain the same B. Assumptions of the law C. Conditions of the law D. All of them
626	Price and demand has a relationship:	A. Negative B. Positive C. Functional D. Both a & c
627	Slope of demand curve of exceptions of law of demand is	A. Negative B. Positive C. Zero D. Fixed
628	Economy gets prosperity during	A. Recession B. Depression C. Boom D. Recovery
629	In case of fall in demand, demand curve shifts:	A. Left side B. Right side C. Downward D. Both (a) and (c)
630	One of the following is not the difficulty of the barter system	A. Indivisibility of goods B. Lack of common measure of value C. Double coincidence of wants D. Lack of store of value
631	Notes and coins are legal tender money because	A. Government keeps gold and silver in their exchange B. They are issued by the commercial banks C. They are issued by the central bank D. People are bound to accept them
632	Cardinal utility approach was presented by:	A. Adam smith B. Keynes C. Robbins D. Marshall
633	According to neo classical approach, output is the function of:	A. Labour B. Capital C. Organization D. Both (a) and (b)
634	The systematic record of visible and invisible exports and imports of a country in one year is called	A. Balance of trade B. Balance of payment C. External balance D. Internal balance

		D. Internal balance
635	Which one is not studied in micro economic	A. National income B. Consumer behavior C. Market equilibrium D. Firm's equilibrium
636	The income which a person can use according to his will is called	A. Personal income B. Disposable personal income C. Net income D. Per capita income
637	Supply of perishable goods e.g. groceries, fruit, meat etc is	A. Less elastic B. More elastic C. Perfectly inelastic D. Perfectly elastic
638	The whom individuals Marshal included in definition of economics	A. Service of teachers B. People living in forests C. Trading professionals D. People living in caves
639	Exchange of goods with goods is called	A. Medium of exchange B. Store of exchange C. Scale of measure of exchange D. Barter system
640	It was impossible under barter system	A. Lack of coincidence of wants B. Lack of common measure of value C. Divisibility of some goods in small parts D. Solution of all the said problems
641	Are included in welfare economist	A. Ricardo and J.S. Mill B. Robbins and Keynes C. Cannon and Pigou D. Malthus and Keynes
642	Who did write the book named "An enquiry into the nature and causes of the wealth of nations"	A. Adam smith B. Marshall C. Robbins D. Canon
643	Which of the following is not invisible trade	A. Expenditure on education in other country B. Expenditure on imported machinery C. Expenditure of passengers traveling by air D. Expenditure of goods carried by a ship
644	In which of the following condition theory of international trade is presented	A. Monopoly B. Duopoly C. Monopolistic competition D. Perfect competition
645	Fourth factor of production is called	A. Land B. Labour C. Capital D. Organization
646	Concept of law of diminishing marginal utility was presented by professor	A. Marshall B. Robbins C. Keynes D. Pigou
647	Who did write the book named "General theory of employment, interest and money"	A. Marshall B. Pigou C. Adam Smith D. Keynes
648	Saving deposits and time deposits of the banks, Govt. securities and shares of the companies are called	A. Token money B. Money of account C. Standard money D. Near money
649	Which one of the following stated the canons of taxation first	A. Adam Smith B. Marshall C. Robbins D. Keynes
650	When a firm earns abnormal profit in the short run, then its	A. MC=MR=AR=AC all are equal B. MC=MR=AR while AC is less C. MC=MR=AR while AC is more D. MC=MR=AR while AV is sometimes equal to them and sometimes less than them

651	According to the law of supply, there is relation in price and supply	A. Inverse B. Increasing C. Negative D. indirect
652	Marginal revenue product curve is called	A. Demand curve of firm B. Supply curve of firm C. Demand curve of industry D. Supply curve of industry
653	The additional cost which a firm has to bear in order to produce additional unit of output, are called	A. Average cost B. Marginal cost C. Fixed costs D. Variable costs
654	Founder of Classical school of thought was:	A. Adam smith B. Marshall C. Robbins D. Keynes
655	If the rate of tax increase with the increase of level of income, is called	A. Progressive tax B. Proportional tax C. Regressive tax D. Value added tax
656	Laws which reflect religion of society	A. Economic laws B. State laws C. Scientific laws D. Moral laws
657	Transfer payments are included in	A. Gross domestic income B. National income C. Disposable personal income D. Personal income
658	Law of equi-marginal utility is also known as:	A. Total utility maximizing law B. Law of substitution C. Law of indifference D. All of them
659	Equilibrium level of national income means that point where	A. Consumption = saving B. Consumption = investment C. Income = saving + investment D. Saving = Investment
660	According to which theory every factor of production gets the reward of its services equal to its marginal product	A. Demand and supply theory B. Liquidity preference theory C. Marginal productivity theory D. Uncertainty theory
661	Exact perdition not possible in:	A. Economic laws B. Science laws C. Moral laws D. Social law
662	MPP stand is	A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price
663	If supply does not change, then due to fall of demand	A. Equilibrium price decreases B. Equilibrium price increases C. Equilibrium price does not change D. Equilibrium quantity increases
664	"Principles of Economics" was written by.	A. Adam smith B. Marshall C. Robbins D. Canon
665	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
666	What can a firm do in the short run	A. Firm can increase its plants B. Firm can expand its building C. New firm can not enter the business D. New firm can enter the business
667	When demand curve shifts rightward (or upward), it is called	A. Rise of demand B. Fall of demand C. Extension of demand D. Contraction of demand
668	Monetary theory of Trade cycle is presented by	A. Prof Hawtrey and Friedman B. Prof Keynes

		C. Prof Hobson D. Prof Kitchen
669	Blessings like air, rain existing on land are included in factor of production	A. Labour or human resources B. Capital or monetary resources C. Land or natural resources D. Organisation
670	Feature of a commodity to satisfy human want, is called	A. Value B. Usefulness C. Utility D. Wealth
671	Under monopoly average revenue curve remains _____ the marginal revenue curve	A. Below B. Above C. Parallel to D. None of three
672	When total revenue and total cost of a firm are equal, the firm earns	A. Abnormal profit B. Normal profit C. Normal loss D. Abnormal loss
673	Who did name Economics as the science of mammon worship and dismal science	A. Marshall B. Keynes C. John Ruskin & Carlyle D. Pigou
674	Who did criticise the definition of Robbins	A. Marshall B. J.B. Clark C. Beveridge D. Pigou
675	Total expenditures which a firm bear to produce a particular quantity of output	A. Fixed costs B. Variable costs C. Total costs D. Average fixed cost
676	Main elements of circular flow of national income are	A. People or house holds B. Firms C. House holds and firms D. Industrial lists
677	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
678	Who said that economics has the place of intellectual religion	A. Cannon B. Pigou C. Durban D. Robbins
679	Unit of account money in Pakistan is	A. Rial B. Rupee C. Dollar D. Pound
680	The income and expenditure of common people is known as:	A. Government finance B. Private finance C. Public finance D. Both a and c
681	If supply of a commodity changes by less than 10% due to a 10% change in its price, then elasticity of supply will be	A. Equal to unity B. More than unity C. Less than unity D. Zero
682	Second name of unitary method is	A. Method of total satisfaction B. total expenditure method C. total revenue method D. Both 2nd and 3rd
683	If demand does not change, then due to rise of supply	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases
684	If percentage change in supply is less than the percentage change in price, then elasticity of supply is called	A. Equal to unity B. Less than unity C. More than unity D. Zero
685	Recent international depression was appeared in:	A. 1936 B. 1990 C. 2005 D. 2008
		A. Fee

686	The main source of the public revenue is	B. Tax C. Fines D. Gifts and aid
687	If we subtract direct taxes from personal income, we get	A. Net national income B. Net domestic income C. Disposable personal income D. Personal savings
688	River, sea, forests, rain are called	A. Land B. Labour C. Capital D. Organization
689	Deductive method of deriving economic laws	A. We move from general conditions to particular conditions B. We move from particular conditions to general conditions C. Stated in general way D. Different incidents are kept in view
690	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
691	Demand for good like Television and VCR is	A. Less elastic B. More elastic C. Perfectly inelastic D. Infinitely elastic
692	"General theory of employment, interest and money" was written in:	A. 1930 B. 1936 C. 1932 D. 1890
693	How many are kinds of economics	A. Two B. Three C. Four D. Five
694	Supply of goods depends upon	A. Price B. Income C. Price and income D. Utility
695	If same amount of good is supplied at higher price, it is called	A. Expansion of supply B. Contraction of supply C. Fall in supply D. Rise in supply
696	To derive economic laws inductive method was adopted by	A. Classical school of thought B. Neo classical school of thought C. Historical school of thought D. Modern school of thought
697	Under monopoly, in the long run a firm	A. Earns normal profit B. Earns abnormal profit C. Bears minimum loss D. Bears abnormal loss
698	When marginal utility is zero, then total utility is	A. Minimum B. Positive C. Maximum D. Zero
699	"The nature of significance economics sciences" was written in:	A. 1930 B. 1936 C. 1932 D. 1890
700	Subsidies means:	A. Relief price to consumers B. Relief in price to Producers C. Surplus budget D. Both a and b
701	When average cost increases, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
702	In which phase of a trade cycle level of employment and income become very low	A. Depression B. Recovery C. Boom D. Recession
703	When a firm's average total cost is equal to price, then it is called as	A. Normal profit B. Abnormal profit C. Normal loss D. Abnormal loss

		D. Abnormal loss
704	The most important and basic factor of production is	A. Land B. Labour C. Capital D. Organization
705	Which economist explained the absolute difference of cost of two good between two countries	A. Malthus B. Adam Smith C. Ricardo D. J.S Mill
706	Relationship of value of money with quantity of money is	A. Direct B. Indirect C. Inverse D. Positive
707	Law of constant return is also known as:	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
708	If tax rate increases with the increase in value of goods and services, it is called:	A. Direct tax B. Value added tax C. Progressive tax D. Regressive tax
709	Total utility increases when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
710	Which economist introduced economics as a science for the first time	A. Adam Smith B. Robbins C. Marshall D. Pigou
711	When production of a firm increases then total variable costs	A. Decrease B. Increase C. Remain constant D. Do not change
712	Quantity theory of money was introduced in an equation by:	A. Fisher B. Marshall C. Crowther D. Tausigg
713	Inductive method of deriving economic laws	A. We move from general conditions to particulars conditions B. We move from particular conditions to general conditions C. Facts are stated in simple and easy way D. Stated in general way
714	Zakat is imposed on:	A. Muslims B. Sahib e Nisab C. Affording people D. Both b and c
715	Demand for the goods which have different uses, is	A. More elastic B. Less elastic C. Infinity D. Zero elastic
716	Utility attained by consuming an additional or last unit of a commodity	A. Positive utility B. Negative utility C. Zero utility D. Marginal utility
717	Deficit in balance of payments (BOP) means:	A. Imports = Exports B. Imports > Exports C. Exports < Imports D. Both b and c
718	If we deduct depreciation from GNP, we get:	A. P.I B. G.D.P C. D.P.I D. N.N.P
719	If demand curve is parallel to y-axis, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
720	Wages of temporary labourers are	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost

D. variable cost

721	Quickly destroyable goods are called	A. Superior goods B. Inferior goods C. Perishable goods D. Giffen goods
722	In how many parts professor Adam Smith divided his book "Wealth of nations"	A. Two B. Three C. Four D. Five
723	Economist who presented the first law of consumption	A. Marshall B. Adam Smith C. Robbins D. Pigou
724	In modern term, factors of production are called	A. Inputs B. Productive services C. Inputs and productive services D. Production of goods and services
725	Modern theory of trade cycles is presented by	A. Prof Schumpeter B. Prof Keynes C. Prof Hawtrey D. Prof Hicks and Samuelson
726	When was professor Robbins book "Nature and importance of economics" written	A. 1915 B. 1932 C. 1934 D. 1937
727	Which of the following stated that utility is measurable	A. Marshall B. Adam Smith C. Robbins D. Keynes
728	What functional relationship is present between demand and price	A. positive B. inverse C. increasing D. none of these
729	Immortal factor production is	A. Land B. Labour C. Capital D. Organization
730	In economics, every mental or physical struggle undertaken for reward, is called	A. Land B. Labour C. Capital D. Organization
731	Economic problem arises because human wants	A. Are unlimited B. Are limited C. Do not exist D. None of three
732	_____ is not considered perfect money	A. Note of ten rupees B. Note of hundred rupees C. Piece of silver D. Note of one thousand rupees
733	The price at which quantity demanded and supplied are equal	A. Equilibrium price B. Reserve price C. Fixed price D. Variable price
734	Demand for a commodity means	A. Desire to purchase B. Power to purchase C. Price of commodity D. All the three
735	Demand for luxuries goods is:	A. Perfectly elastic B. Less elastic C. Perfectly inelastic D. More elastic
736	When there is big change in demand and price of a commodity, it is called	A. Point elasticity B. Arc elasticity C. Cross elasticity D. Income elasticity
737	The production sector where human brain and intelligence plays more role there is applicable	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of increasing cost
738	Additional amount of money which a firm gets by selling an additional unit of output is called	A. Average revenue B. Marginal revenue

738	Additional amount of money which a firm gets by selling an additional unit of output is called	C. Total revenue D. Revenue
739	The science in which conditions and incidents are checked from a particular point of view, is called	A. Positive science B. Normative science C. Social science D. All of three
740	The income which a person can use according to his will called:	A. Net income B. Per capital income C. Personal income D. Disposable personal income
741	In which year Kenyans wrote his book "General theory of employment, interest and money	A. 1929 B. 1931 C. 1934 D. 1936
742	According to quantity theory of money one halving the quantity of money prices	A. Increase B. Double C. Decrease D. One half
743	Deductive method of economic study.	A. Systematic B. General to particular C. Universal to particular D. Both (b) and (c)
744	A firm gains abnormal profit, when:	A. $TR = TC$ B. $TR > TC$ C. $TR < TC$ D. $MC = MR$
745	Private owners of minerals are bound to pay ----- Zakat of their production	A. 10% B. 15% C. 20% D. 25%
746	Economics according to its scope is	A. Science B. Art C. Science & Art D. Only positive science
747	The quantity of commodity which exists in warehouse (stock) of the seller is called	A. Supply B. Demand C. Stock D. All of these
748	Slope of demand curve is	A. Negative B. Positive C. zero D. fixed
749	Founder of neo-classical school of thought:	A. Adam Smith B. Marshall C. Robbins D. Keynes
750	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
751	Who said that you can not become good citizen if you have no economist with you	A. Marshall B. Pigou C. Keynes D. Voton
752	Quantity theory of money failed during world economic depression	A. In 1920 B. In 1925 C. In 1929 D. In 1935
753	The price at which entrepreneur has a sufficient time to meet the demand, is called	A. Market price B. Normal price C. Reserve price D. Normal price
754	A tax which is imposed on goods and services:	A. Direct tax B. Indirect tax C. Progressive tax D. Proportional tax
755	That particular price below which price the seller is not ready to sell his commodity, is called	A. Market price B. Normal price C. Reserve price D. All the three

A. Increases

756	In law of decreasing cost, marginal cost	B. Decreases C. Remains constant D. Does not change
757	If supply rises more proportionately than that of demand, then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases
758	One of the following is not advantage of paper money	A. Saving of metals B. Saving of coinage C. Easy transferability D. Perfectly inelastic supply
759	One of the following is not included in explicit cost	A. Wages of labourers B. Reward of entrepreneur's personal labour C. Price of raw material D. Interest of capital
760	Who is the Founder of macro economics ?	A. Marshall B. Malthus C. Adam smith D. Keynes
761	The cause of extension and contraction of demand is	A. Income B. Price C. Population D. Technology
762	A good thing in public finance	A. Expenditures are more than income B. Income is more than expenditure C. Income is equal to expenditure D. b and c both
763	Till marginal cost curve remains below the marginal revenue curve, from the economic point of view, increase in production for a firm is	A. Beneficial B. Unbeneficial C. May be beneficial or unbeneficial D. Neither beneficial nor unbeneficial
764	If the face value of a coin is greater than the value of metal used in:	A. Legal money B. Token money C. Standard money D. Both b and c
765	One of the following is not included in labour	A. Teaching of a teacher in a school B. Working of a clerk in an office C. To follow a case by a lawyer D. To look after the child by his mother
766	Perfectly inelastic supply curve is:	A. Vertical B. Rise upward C. Horizontal D. Fall downward
767	According to law of diminishing marginal utility, marginal utility of a commodity	A. Increases B. Decreases C. Remains constant D. Become negative
768	All the factors of production can be hired except	A. Land B. Labour C. Capital D. Organization
769	Which one is immobile factor ?	A. Land B. Labour C. Capital D. Organization
770	Which factor has no pre-determined reward	A. Land B. Labour C. Capital D. Organization
771	In which punishment is not applicable for the disobedience, the laws are	A. Moral laws B. Laws of state C. Political laws D. Economic laws
772	The sector of production, in which nature plays more role, there is applicable	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost

A. Depreciation allowance

773	----- are added in national income	B. Subsidies C. Indirect taxes D. Direct taxes
774	If the income of the government is less than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
775	Under monopoly, marginal revenue is _____ of output	A. Decreasing function B. Increasing function C. Quadratic function D. Cubic function
776	Under certain conditions, slope of demand curve is	A. Negative B. Positive C. Zero D. Fixed
777	When total revenue is maximum, marginal revenue is	A. More B. Less C. Constant D. Zero
778	When there is deflation, then prices	A. Increase B. Decrease C. Remain constant D. do not change
779	According to comparative cost theory conditions ----- in goods and labour market exist	A. of monopoly B. of duopoly C. Monopolistic competition D. of perfect competition
780	In which kind of economics, aggregate behaviors of the economy are reviewed	A. Theoretical B. Applied C. Micro D. Macro
781	Which is not studied in micro economics ?	A. Theory of consumer behaviour B. Price theory C. Theory of money D. Theory of distribution of wealth
782	If the ratio of change in demand is equal to the ratio of change in price, elasticity of demand will be	A. More than unity B. Less than unity C. Equal to unity D. Infinite
783	Behavior adopted on the basis of unlimited wants and limited means, is named	A. Science B. Art C. Economics D. Struggle
784	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
785	In order to improve the balance of payment the foremost try is to increase	A. Imports B. Exports C. Production D. Savings
786	When there is a very small change in demand and price of a commodity, it is called	A. Point elasticity B. Arc elasticity C. Cross elasticity D. Income elasticity
787	First four cannons of taxation are presented by:	A. Marshall B. Ricardo C. J.B.Say D. Adam smith
788	When average cost is minimum, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
789	Firm earns maximum profit at the point where	A. Difference between total costs and total revenue is highest and the total revenue curve is above B. Total costs and total revenue curves intersect each other C. Total costs curve is above the total revenue curve D. Difference between total costs and total revenue is minimum

790	National income increases by	A. The increase in the quantity of capital goods B. The increase in the quantity of goods and services C. The increase in price of goods D. The increase in the income of entrepreneurs
791	The average duration of trade cycle is:	A. Five years B. Fifty years C. Twenty years D. Ten years
792	Barter economy means the economy in which no good is generally accepted and goods are exchanged with goods. This definition is stated by the	A. Prof Marshall B. Stanley Fisher C. Culberon D. Walker
793	Who did write the book named "Principles of Economics" was written	A. Adam smith B. Marshall C. Robbins D. Cannon
794	Stock means the quantity:	A. Sold in market B. Which is offered for sale C. Which exist in warehouse D. Of total production
795	Propounder of economics was	A. Robbins B. Marshall C. Adam smith D. Keynes
796	If demand does not change, despite a fall in price, is called	A. Fall of demand B. Rise of demand C. Contraction of demand D. Extension of demand
797	The supply curve of Fish is	A. More elastic B. Less elastic C. Inelastic D. Infinite elastic
798	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
799	The money in which payment can be made only to certain extent is called	A. Unlimited legal tender money B. Limited legal tender money C. Metallic money D. Paper money
800	According to Robbins, the basic concept of Economics is	A. Political problem B. Economic problem C. Psychological problem D. Religious problem
801	Production of a commodity depends upon four factors of production i.e. land, labour, capital and organization	A. According to classical economists B. According to Neo classical economists C. According to modern economists D. According to Austrian school of thought
802	When general price level increases due to increase in cost of production, it is known as ?	A. Stagflation B. Hyper inflation C. Demand pull inflation D. Cost push inflation
803	MC cuts AC at:	A. Maximum point B. Minimum point C. Increasing point D. Decreasing point
804	Difference between total revenue and total cost presents:	A. Price B. Profit C. Production D. Loss
805	Price of perishable goods is determined in:	A. Very short period B. Very long period C. Day to Day D. Both (a) and (c)
806	Absolute advantage theory was presented by	A. Adam Smith B. Prof Walker C. Ricardo D. Marshall

807	Methods of deriving economic laws are	A. Two B. Three C. Four D. Five
808	Disadvantages of paper money are	A. Unstable value B. Possibility of inflation C. Possibility of wastage D. All the three
809	Who said that economics is normative science ?	A. Keynes B. Robbins C. Marshall
810	According to classical theory of international trade, a country imports those goods from the other country which	D. Rocher A. Are durable B. Are standardised C. Are produced comparatively at high cost D. Are not produced in that country
811	Balance of visible goods of a country mean	A. Quantity of imports & exports B. Value of imports & exports C. Value of imported & exported goods and services D. Value of imported & exported services
812	Which economist has stated the definition of balance of payments	A. Robbins B. Kindleberger C. Marshall D. Keynes
813	Which factor is helpful for earning more income ?	A. Land B. Labour C. Capital D. Organization
814	If demand curve is parallel to x-axis, then elasticity of demand is	A. Infinite B. Zero C. Equal to unity D. More than unity
815	In which year the book named "An enquiry into the nature and causes of the wealth of nations" was written	A. 1696 B. 1776 C. 1803 D. 1825
816	Not acting upon economic laws	A. One gets punishment B. Economy faces loss C. Only the people not acting, face loss D. No one is influenced
817	Advantages of international trade are	A. One B. Two C. Three D. Many
818	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
819	The money whose face value is greater than its intrinsic value, is called	A. Standard metallic money B. Paper money C. Token money D. Near money
820	When total utility is decreasing, marginal utility is	A. Zero B. Positive C. Negative D. Maximum
821	The expected rate of profit from a business is known as:	A. Multiplier B. Accelerator C. Marginal efficiency of capital D. Both a and b
822	If face value is equal to the metal value of a coin, it is called as	A. Paper money B. Token money C. Credit money D. Standard money
823	If we deduct direct taxes from personal income, we get:	A. NNP B. GDP C. DPI D. PI

824	The non-material activities which have the ability to satisfy human wants indirectly, are called	A. Goods B. Services C. Satisfaction D. None of the three
825	According to Prof. Jugglar a trade cycle completes in	A. Five to six years B. Nine to ten years C. Ten to eleven years D. Eleven to twelve years
826	The percentage part of the mineral production is payable as Zakat on private owners of minerals	A. 5% B. 10% C. 15% D. 20%
827	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
828	Want of a commodity is satisfied, when its marginal utility is	A. Positive B. Zero C. Negative D. Minimum
829	When marginal utility is negative, then total utility	A. Decreases B. Increases C. Does not change D. Becomes negative
830	Absolute advantage theory of international trade was presented by:	A. Adam Smith B. David Ricardo C. Hecksher and Ohlin D. Marshall
831	When demand and supply rise in equal proportion, the equilibrium price will:	A. Fall B. Rise C. Constant D. None of those
832	The conditions which are essentially kept constant for the application of economic laws, are called	A. Changes B. Assumptions C. Limitations D. Theories
833	Finance minister imposes tax on the goods having more elastic demand	A. At low rate B. At high rate C. At the same rate D. At zero rate
834	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
835	Under Monopoly, a firm is in equilibrium position when Ed is:	A. Equal to unity B. Less than unity C. Greater than unity D. Both b and c
836	One of the following is not the cause of inflation	A. Increase in quantity of money B. Increase in demand for goods C. Increase in supply of goods D. Increase in cost of production
837	To the name of which economist, canons of taxation are attributed	A. Adam smith B. Robbins C. Pigou D. Keynes
838	If supply does not change despite a change in price, then elasticity of supply is called	A. Equal to unity B. Less than unity C. More than unity D. Zero
839	A good thing in private finance	A. Expenditures are equal to income B. Expenditure are more than income C. Income is more than expenditures D. a and b both
840	During depression	A. Employment increases B. Prices decrease C. Profit increases D. Prices increase
841	During the phase of recovery prices, wages, interest rate and profits	A. Start falling gradually B. Start rising gradually C. are highest

		<p>C. are highest</p> <p>D. are lowest</p>
842	Laws of returns are also known as:	<p>A. Laws of substitution</p> <p>B. Laws of consumption</p> <p>C. Laws of cost</p> <p>D. All of three</p>
843	Theory of sun-spot was presented by	<p>A. Prof Jevons and Henry L. Moor</p> <p>B. Prof Pigou and begehote</p> <p>C. Prof Hobson</p> <p>D. Prof Cassel</p>
844	Under monopoly, number of firms is	<p>A. Large</p> <p>B. Few</p> <p>C. One</p> <p>D. Two</p>
845	In Macro economies the vital role is played by:	<p>A. Marshall</p> <p>B. J.R.Hicks</p> <p>C. Robbins</p> <p>D. Keynes</p>
846	One of the following is non economic want:	<p>A. Car</p> <p>B. Bike</p> <p>C. Fan</p> <p>D. Self respect</p>
847	International trade is based on the following except	<p>A. Different factors of production are required for the production of different goods</p> <p>B. Factors of production exist in different ratios in different countries</p> <p>C. Factors of production are in abundant quantity in different countries</p> <p>D. Factors of production are in limited quantity in different countries</p>
848	One of the following is not the assumption of quantity theory of money	<p>A. Velocity of circulation of legal money should not change</p> <p>B. Velocity of Circulation of credit money should not change</p> <p>C. Quantity of hoardings should not change</p> <p>D. Quantity of goods and services should go on changing</p>
849	One of the following is not the fiscal measure to control inflation	<p>A. Decrease in public expenditures</p> <p>B. Increase in the value of money</p> <p>C. Increase in taxes</p> <p>D. Encouragement of saving</p>
850	If the demand for a commodity is less elastic, then an entrepreneur in order to increase his profit	<p>A. Will increase its price</p> <p>B. Will decrease its price</p> <p>C. Will not change its price</p> <p>D. None of these</p>
851	If the equation is this, $MC=MR=AR(P)<AC$ then the firm	<p>A. Earns normal profit</p> <p>B. Earns abnormal profit</p> <p>C. Bears loss</p> <p>D. Bears abnormal loss</p>
852	How many are kinds of theoretical economics	<p>A. Two</p> <p>B. Three</p> <p>C. Four</p> <p>D. Five</p>
853	When AC is falling then:	<p>A. $MC = AC$</p> <p>B. $AVC = MC$</p> <p>C. $MC > AC$</p> <p>D. $MC < AC$</p>
854	Kinds of credit money are	<p>A. Verbal promise and written promise</p> <p>B. Govt. securities & debentures</p> <p>C. Cheque & Drafts</p> <p>D. Share of Companies</p>
855	The relation between quantity of money and value of money is:	<p>A. Positive</p> <p>B. Negative</p> <p>C. Direct</p> <p>D. Inverse</p>
856	The systematic record of the money value of visible exports and visible imports of one year of country is called	<p>A. Balance of trade</p> <p>B. Balance of payment</p> <p>C. International balance</p> <p>D. External balance</p>

857	Supply is Fixed of:	A. Perishable goods B. Free goods C. Durable goods D. Substitute goods
858	If the rate of tax does not change with decrease or increase in the level of income, is called	A. Proportional tax B. Progressive tax C. Regressive tax D. value added tax
859	Economics is a science which studies.	A. Production of wealth only B. Consumption of wealth only C. Optimum use of scare resources D. Welfare only
860	Following is not included in balance of payments:	A. Invisible goods B. Visible goods C. Services D. None of these
861	The costs which a firm bear only in case of producing commodities	A. Fixed costs B. Variable costs C. Total costs D. Average fixed cost
862	If currency can converted into gold, it is called:	A. Convertible paper money B. Inconvertible paper money C. Bank Money D. Both a and b
863	"What performs the functions of money, is money" This definition of money is stated by	A. Prof Walker B. Prof Marshall C. Prof Crowther D. Prof Pigou
864	Who wrote the book named "An enquiry into the nature and causes of the wealth of nations ?"	A. Adam Smith B. Marshall C. Robbins D. Canon
865	The revenue collection of government and spending policy is called	A. Monetary policy B. Fiscal policy C. commercial policy D. Labour policy
866	If demand decreases by 15% due to 10% increase in Price, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
867	Basic object of a firm is to get maximum:	A. Price B. Profit C. Production D. All of three
868	Comparative Cost theory of international trade presented by:	A. Adam smith B. David Ricardo C. Hecksher and Ohlin D. Marshall
869	In law of decreasing return, marginal product	A. Increases B. Decreases C. Remains constant D. Does not change
870	Quantity theory of money was criticised by	A. Prof. Keynes B. Prof Marshall C. Prof Pigou D. i and ii both
871	Total number of canons of taxation stated by different economists is	A. Seven B. Nine C. Eleven D. Twelve
872	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
873	Cause of movement along the supply curve is	A. Change in price B. Other factors C. Change in tax D. Change in income
874	With an increase in the price of any good its substitutes will have	A. a fall in its price B. an increase in its prices C. an increase in its demand D. a decrease in its price

		D. A decrease in its price
875	If 50% change in demand in response of 50% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand ≤ 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
876	Under monopoly average revenue curve remains the marginal revenue curve	A. Below B. Above C. Parallel D. None of these
877	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
878	According to professor Ackley Gardener, amounts are included in national income	A. Wages B. Rents and interests C. Profits D. All the three
879	Micro economics related to	A. International trade B. Behavior of firm C. National income D. Personal income
880	During the phase of boom level of income and employment is	A. Increasing B. Decreasing C. Highest D. Lowest
881	One of the following is not included in the methods of removing deficit in balance of payments of a country	A. Increase in exports B. Increase in imports C. Devaluation of currency D. Decrease in the quantity of money
882	The trade among different countries is known as:	A. Local trade B. Internal trade C. Domestic trade D. Foreign trade
883	If quantity demand changes due to the change in income, it is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Income Elasticity of demand D. Price Elasticity of demand
884	Quantity of a commodity which is offered for sale in a market is called:	A. Trade B. Supply C. Demand D. Stock
885	Elasticity of supply is the name of	A. Change in price B. Change in income C. Feature of change in supply D. Change in price and income
886	Slope of average revenue and marginal revenue curves under monopoly is	A. positive B. negative C. zero D. none of three
887	Transfer payment means that income	A. Which can move from one place to order place i.g. money etc. B. Which is received without labour, e.g. Zakat, gift, pension etc C. Which is received after hardwork D. Which is received by exports
888	Tractor, harvester, thrasher etc are the examples of factor of production	A. Land B. Labour C. Capital D. Organization
889	Comparative Cost theory of international trade was presented in:	A. 1890 B. 1800 C. 1817 D. 1871
890	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
891	In the market period supply is:	A. Variable B. Fixed C. Zero D. Positive

A. Monopoly

892	The kind of market, in which a single firm produces a single commodity which has no close substitute	A. Monopoly B. Duopoly C. Oligopoly D. Perfect competition
893	Which combination of the following is of joint demand	A. Tea and coffee B. Petrol and car C. Meat and grocery D. Inkpot and book
894	If the rate of change in price and quantity supplied is equal then:	A. $E_s = 0$ B. $E_s = 1$ C. $E_s > 1$ D. $E_s < 1$
895	If the total expenditure of the consumer increases due to increase in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
896	The ratio of change in investment to change in income is known as:	A. Multiplier B. Accelerator C. MEC D. Both a and b
897	Formula method to measure elasticity of supply is related to	A. Marshall B. Robbins C. R.G.D Allen D. Flux
898	If the equation is this, $MC=MR-AR(P)=AC$, then the firm	A. Earns normal profit B. Earns abnormal profit C. Bears minimum loss D. Bears abnormal loss
899	Firm earns abnormal profit, when	A. $AC=AR$ B. $AR > AC$ C. $AR < AC$ D. $AC=MC$
900	International Monetary fund is	A. Local B. Regional C. National D. International
901	The coins whose current price is greater than their intrinsic value, are called	A. Standard coins B. Paper money C. Token money D. Credit money
902	Which factor can not be stored	A. Land B. Labour C. Capital D. Organization
903	The costs which the firm has to bear in every condition in the short period, are called	A. Total costs B. Fixed costs C. Variable costs D. Marginal costs
904	"Money is a thing by which payments of agreements of borrowing and pricing are made and general purchasing power is stored in it." This definition of money is stated by the economist	A. Prof Marshall B. Prof Walker C. Prof Keynes D. Prof Crowther
905	"Quantity of goods and services which is consumed during a year is called national income". This definition of national income is stated by the economist	A. Marshall B. Pigou C. Adam smith D. Fisher
906	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
907	Expenditures of repair of machines are called	A. Unproductive expenditures B. Productive expenditures C. Rewards D. Depreciation allowance
908	During inflation increase	A. Exports B. Savings C. Consumption D. Inequality of income
909	When the price of a commodity increases but its demand does not change, this situation is called	A. Constant demand B. Fall of demand C. Rise of demand D. Contraction of demand

		D. Consumption of commodity
910	Tendency of average revenue curve under monopoly is always	A. Falls down B. Parallel to x-axis C. Rises up D. Parallel to y-axis
911	A firm suffers abnormal losses, when:	A. $AC = AR$ B. $AVC = AR$ C. $AVC < AR$ D. $AVC > AR$
912	Which factor is oldest and basic factor of production	A. Land B. Labour C. Capital D. Organization
913	"A trade cycle is completed in three years four months" This is stated by	A. Prof Kitchen B. Prof Juglar C. Prof Jevons D. Prof Pigou
914	Unitary method to measure elasticity of supply is presented by	A. Adam Smith B. Robbins C. Marshall D. Farson
915	If elasticity of supply is equal to unity then extending supply curve downward, it passes through or crosses	A. y-axis B. x-axis C. Point of origin D. Becomes vertical
916	Economic laws are:	A. Definite and universal B. Conditional C. Moral D. Political
917	In production process when marginal product increases with the increase in units of variable factors along with fixed factor, this tendency in economics is called	A. Law of production B. Law of increasing return C. Law of decreasing return D. Law of constant return
918	When total product decreases, marginal product	A. Is positive B. Is negative C. Is zero D. Is increasing
919	Regarding time element, the normal price has types	A. One B. Two C. Three D. Four
920	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
921	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
922	$TC = TFC +$:	A. MC B. AR C. TVC D. TAC
923	One of the following is not assumption of law of diminishing marginal utility	A. Same nature of the commodity B. Consumption of the commodity with intervals C. Suitable quantity of the commodity D. No change in consumers mental condition
924	In perfect competition number of firms is	A. One B. Two C. A few D. Large
925	"Public finance deals with governments revenue and expenditure and it studies how government maintains balance between its revenue and expenditures" This definition is stated by	A. Dalton B. Armitage Smith C. Bastable D. Pigou
926	"Anything which is generally accepted as a medium of exchange and also performs the functions of standard of value and a store of value is money" This definition of money is stated by	A. Prof Walker B. Prof Marshall C. Prof Crowther D. Prof Pigou
		A. Govt

927	Economic law are made by:	<p>A. Courts</p> <p>B. Courts</p> <p>C. Parliament</p> <p>D. Behaviour of the people</p>
928	Firms earn abnormal profit when:	<p>A. $AR = AC$</p> <p>B. $AR < AC$</p> <p>C. $AR > AC$</p> <p>D. $AC = AR$</p>
929	The amount of money which a firm gets by selling a particular quantity of output, is called	<p>A. Average revenue</p> <p>B. Marginal revenue</p> <p>C. Total revenue</p> <p>D. Fixed cost</p>
930	One of the following is considered as capital:	<p>A. Land</p> <p>B. Labour</p> <p>C. Raw material</p> <p>D. Both (a) and (b)</p>
931	Surplus budget for the government is considered	<p>A. Useful</p> <p>B. Harmful</p> <p>C. Useful & harmful</p> <p>D. None of three</p>
932	Points of Robbins definition are	<p>A. Two points</p> <p>B. Four points</p> <p>C. Economic points</p> <p>D. Practical points</p>
933	Due to rise in demand, demand curve shifts to	<p>A. Right</p> <p>B. Left</p> <p>C. Both sides</p> <p>D. None of these</p>
934	Writing of the same behavior of the people in particular arrangement and words is called	<p>A. Normative science</p> <p>B. Positive science</p> <p>C. Economic law</p> <p>D. Scientific law</p>
935	Meteorological theory of trade cycle was presented by:	<p>A. Joseph Schumpeter</p> <p>B. Habson Foster</p> <p>C. Jevons</p> <p>D. Hawtray</p>
936	If income of government is more than its expenditures, then it is a	<p>A. Surplus budget</p> <p>B. Deficit budget</p> <p>C. Development budget</p> <p>D. Balanced budget</p>
937	One of the following is not land:	<p>A. White house</p> <p>B. Sub continents</p> <p>C. Power house</p> <p>D. Both (a) and (b)</p>
938	In case of rise in demand, demand curve shifts:	<p>A. Right side</p> <p>B. Downward</p> <p>C. Upward</p> <p>D. (a) and (c)</p>
939	When average cost curve is falling, then marginal cost curve	<p>A. Remains below it</p> <p>B. Remains above it</p> <p>C. Remains parallel to it</p> <p>D. Is vertical</p>
940	The term "Price Taker" is used in:	<p>A. Perfect competition</p> <p>B. Oligopoly</p> <p>C. Monopoly</p> <p>D. Monopsony</p>
941	Increasing function of price is	<p>A. Demand</p> <p>B. Supply</p> <p>C. Utility</p> <p>D. Consumption</p>
942	Finance minister in order to increase the public revenue imposes the tax on the commodities whose demand is more elastic	<p>A. At low rate</p> <p>B. At high rate</p> <p>C. Some times decreases the rate and some times increases</p> <p>D. Does not change Tax rate</p>
943	Measurement of arc elasticity of demand was present:	<p>A. Keynes</p> <p>B. Marshall</p> <p>C. Adam smith</p> <p>D. R.G.D Allen</p>
944	When supply changes due to other factors besides price, it is called	<p>A. Rise of supply</p> <p>B. Fall of supply</p> <p>C. Rise and fall of supply</p> <p>D. Extension and contraction of</p>

		D. Extension and contraction of supply
945	How many conditions of firm's equilibrium are there ?	A. One B. Two C. Three D. Four
946	Laws cannot be predicted	A. Scientific laws B. Moral laws C. Economic laws D. Natural laws
947	One of the following is not the monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in the ratio of reserve capital of the banks D. Increase in taxes
948	The salient features of trade cycle are:	A. National in nature B. International in nature C. Domestic in nature D. All of these
949	The investigation of government income and expenditure is known as:	A. Government finance B. Private finance C. Public finance D. Both a and c
950	According to law of demand, curve moves from left to right downward. This type of tendency is called	A. Positive tendency B. Negative tendency C. Extension and contraction of demand D. Rise and fall of demand
951	Deflation means:	A. Rapid increase in price level B. General decrease in price level C. General increase in price level D. Both a and c
952	The ratio of change in income to change in investment is known as:	A. Multiplier B. Accelrator C. MEC D. Both a and b
953	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
954	Who did separate economics from political science for the first time	A. Marshall B. Malthus C. Adam smith D. Ricardo
955	Functions of money are	A. Medium of exchange B. Common measure of value C. Store of value D. All the three
956	If total expenditure of the consumer increases due to decrease in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
957	Under perfect competition, marginal revenue and average revenue curves	A. Moves from left to right upward B. Moves from left to right downward C. Remain parallel to x-axis D. Remain parallel to y-axis
958	The equilibrium of the market is that demand and supply to each other are	A. opposite B. positive C. equal D. negative
959	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
960	Change in total production is called	A. Marginal production B. Zero production C. Total production D. Average production
961	Income received without any economic services:	A. National Income B. Transfer payments C. Interest D. Profit

962	Which on factor is the basic factor ?	A. Land B. Labour C. Capital D. Organization
963	Economics is a science:	A. Political B. Spiritual C. Social D. Scientific
964	Demand curve of a monopolist has the shape	A. Falls from left to right B. Rises from left to right C. Remains below MR curve D. Remains parallel to ox-axis
965	Quantity theory of money was criticized by:	A. Marshall B. Sameulson C. Keynes D. Both b and c
966	Value of money means purchasing power of money. If quantity of money is doubled then	A. Purchasing power of money will be one halved B. Purchasing power of money will be doubled C. Purchasing power of money will be tripled D. There will be no effect on the purchasing power of money
967	If demand changes by more than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
968	Meaning of Economics:	A. State management B. Trade management C. Household management D. All of them
969	One of the following is not included in the causes of deficit in balance of payments of a country	A. Increase in exports B. Increase in imports C. Unfavourable terms of trade D. Occurance of inflation
970	In the long run monopolist earns profit:	A. Normal B. Abnormal C. Super normal D. Both b and c
971	In case of horizontal supply curve, Es is:	A. Mero than unity B. Less than unity C. Zero D. Infinite
972	The rate of Zakat is:	A. Flexible B. Rigid C. Fixed D. Both b and c
973	During recession demand for factors of production is	A. More B. Limited C. Very low D. Too much
974	Balance of payment of a country in unfavourable when its	A. Receipts are more than payments B. Receipts are less than payments C. Receipts are equal to payments D. None of three
975	Disposable personal income means	A. Total of incomes B. Income of an industry after fulfilling all the needs C. After paying personal taxes, income of the people who provide factors of production D. Save income of a person after the payment of the taxes
976	If the total expenditure of the consumer decreases due to decrease in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
977	Utility attained by the consumption of first unit of a commodity is called	A. Positive utility B. Negative utility C. Initial utility D. Zero utility

978	Quantity of a commodity offered for sale in a market at a certain price during a given period of time, is called	A. Stock B. Demand C. Supply D. Quantity demanded
979	If demand changes by less than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
980	Which one is increasing function of price	A. Demand B. Supply C. Utility D. Consumption
981	Dividing total costs by the units of output is attained	A. Average fixed cost B. Average cost C. Average variable cost D. Marginal cost
982	If due to a very slight decrease in price, demand goes on increasing, elasticity of demand will be	A. More than unity B. Less than unity C. Infinite D. Zero
983	Gross national product means	A. Total of price of all goods produced in a country in year B. Total of price of all consumer goods produced in the economy during a year C. Total of goods and services produced in the economy during a year D. Total of monetary value of goods and services produced during a year in the economy
984	Cause of positive slope of supply curve	A. Change in cost of production B. Fear of increase in cost of production and decrease in profit C. Change in technique of production D. Increase in per unit profit due to increase in price
985	Which one is comparatively the most important factor ?	A. Land B. Labour C. Capital D. Organization
986	The base of international trade theory of David Ricardo is	A. Absolute advantage B. Comparative cost C. Cheaper cost D. Low cost
987	Factor of production which is used to earn more income, is called	A. Land B. Labour C. Capital D. Organization
988	Objective of a rational consumer is	A. To save maximum amount from his limited income B. To buy goods at minimum price C. Best choice from existing economic goods D. To attain maximum utility from the spent amount
989	Which law is applicable on production process under marginal productivity theory	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost
990	Supply of perishable goods is	A. More elastic B. less elastic C. Perfectly inelastic D. infinite elasticity of supply
991	Organization means an individual or institution which with optimum factor combination	A. Lays foundation of business always earning profit B. Lays foundation of business but does not accept the responsibility of profit and loss C. Lays foundation of business but accepts the responsibility of profit and loss D. Serves as a manager in the business and receives remuneration

992	Income and employment are at peak level during:	A. Recovery B. Boom C. Depression D. Recession
993	In balance of payment are included	A. Visible items B. Invisible items C. Visible and invisible items D. Material items
994	Second factor of production is	A. Land B. Labour C. Capital D. Organization
995	One of the following is not advantage of international trade	A. Provision of necessities of life B. Imperfections of market C. Provision of medicines & machinery D. Provision of necessities of defence
996	When demand increases due to change in other factors it is known as:	A. Contraction in demand B. Expansion and contraction in demand C. Expansion in demand D. Rise in demand
997	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey
998	Dividing total variable costs by the units of output, is attained	A. Average fixed cost B. Average variable cost C. Average cost D. Marginal cost
999	Transfer payments are included in the income	A. National income B. Gross domestic product C. Personal income D. Disposable personal income
1000	Who does determine the reserve price	A. Buyer B. Seller C. Government D. District administration
1001	Government needs public finance	A. For the defence of frontiers B. To maintain law and order in the country C. For the payment of salaries of government employees D. For the welfare of the people
1002	Who is father of economics	A. Marshall B. Malthus C. Adam smith D. Cannon
1003	Who did present unity method to measure elasticity of demand	A. Adam Smith B. Marshall C. Robbins D. keynes
1004	One of the following is a fixed capital:	A. Raw material B. Machinery C. Saving certificate D. None of these
1005	Production which is produced with a particular combination of factors of production, is called	A. Total product B. Average product C. Marginal product D. Positive product
1006	According to classical economics, production process is under laws	A. Two B. Three C. Four D. Five
1007	The second name of law of decreasing return is	A. Law of increasing cost B. Law of constant cost C. Law of decreasing cost D. Law of cost
1008	Which law provides the base of law of demand	A. Law of supply B. Law of diminishing marginal utility C. Law of equi marginal utility D. Law of decreasing return

1009	A firm earns normal profit	A. When price of the commodity is equal to average cost B. When price of the commodity is more than average cost C. When price of the commodity is less than average cost D. When total revenue is more than total costs
1010	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
1011	Word of economics has been derived from "Oikonomos" which is word of the language	A. French B. Latin C. Russian D. None of them
1012	Law of decreasing return is immediately applied on	A. Agriculture B. Trade C. Industry D. Construction
1013	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them