

## NAT II Management Science Economy

Sr	Questions	Answers Choice
1	If money supply is fixed by the central bank then in interest rate money supply space, money supply curve will be:	A. Horizontal B. Vertical C. Negatively sloped D. Positively sloped
2	Which of the following economists came up with a theory regarding the tradeoff between unemployment and inflation?	A. A.W. Phillips B. John Maynard Keynes C. Joseph Schumpeter D. Milton Friedman
3	The Kachhi Canal water project shall be completed in:	A. September 2008 B. June 2008 C. April 2009 D. December 2008
4	As compared to existing firms, a new firm entering in monopolist market has:	A. High costs B. Low costs C. Equal costs D. None of the given options
5	During 2005-06, the construction sector contributed 9.2 percent to GNP and the share of fishing was:	A. 9.2percent B. 4.4percent C. 1.9percent D. -3.6percent
6	Mairani Dam is being built in Balochistan Gomal Zam Dam in NWFP and Diamer Bhasha Dam in the region of:	A. Punjab B. Northern Areas C. NWFP D. Sindh
7	Canons of taxation describes:	A. Marshall B. Keynes C. Robbins D. Adam Smith
8	Who wrote "The Nature and Significance of Economics":	A. Adam Smith B. Marshall C. Robbins D. Keynes
9	Which of the following is TRUE for a Giffen good?	A. Its marginal utility is zero B. Its demand curve is perfectly elastic C. Its substitution effect is positive D. Its demand curve is positively sloped
10	If total expenditure decrease with the rise in prices elasticity of demand will be:	A. Equal to unity B. Less than unity C. Greater than unity D. Equal to zero
11	If pen and ink are complements, then an increase in the price of pen will cause:	A. An increase in the price of ink B. Less ink to the demanded at each price C. A decrease in the demand for pen D. A rightward shift in the demand curve for ink
12	The economy gets prosperity during:	A. Recession B. Boom C. Depression D. Recovery
13	What was the production of cotton in 2005-06?	A. 12.4million bales B. 16.2 millionbales C. 18.8 million bales D. 24.1 million bales
14	The shape of AR and MR under perfect competition is:	A. Vertical B. U-shape C. Horizontal to ox-axis D. None of these

15	Who presented the quantity theory of money:	A. Marshall B. Robbins C. Taussig D. Keynes
16	What was the growth recorded by the manufacturing sector during 2005-06?	A. 4.2 percent B. 5.5percent C. 7.3percent D. 8.6percent
17	The aggregate supply curve is the relationship between:	A. <div>The price level and the real domestic output purchased</div> B. <div>The price level and the real domestic output produced</div> C. <div>The price level which producers are willing to accept and the price level purchasers are willing to pay.</div> D. <div>The real domestic output purchased and the real domestic output produced.</div>
18	A monopolistically competitive firm in the long run equilibrium:	A. Will make negative profit. B. Will make zero profit. C. Will make positive profit D. Any of the given are possible.
19	The supply of land is:	A. Infinity B. Fixed C. Variable D. Zero
20	Welfare economics is the branch of economics which deals with:	A. Positive issues B. Normative issues C. Micro issues D. Macro issues