

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The price elasticity of demand for any good must be less than or equal to zero unless:	A. The good is a necessity. B. The good is a luxury. C. The good is a Giffen good. D. None of the given options.
2	In 2005-06 the growth rate of Saudi Arabia was 6.5 percent, Kuwait 8.5 percent and Bangladesh 5.8 percent. What was the growth rate of Iran?	A. 4.2 percent B. 3.1 percent C. 6.7 percent D. 5.9 percent
3	The quality of a commodity which satisfies the human wants:	A. Usefulness B. Loss C. Utility D. Return
4	The Kachhi Canal water project shall be completed in:	A. September 2008 B. June 2008 C. April 2009 D. December 2008
5	The market structure in which strategic considerations are most important is:	A. Monopolistic competition. B. Oligopoly. C. Pure competition. D. Pure monopoly.
6	The elasticity of demand of durable goods is	A. More than unity B. Equal to unity C. Less than unity D. Zero
7	The economy gets maximum prosperity during:	A. Recession B. Recovery C. Boom D. Depression
8	The share of agriculture in the national economy in 2005-06, was:	A. 21.6percent B. 16.2percent C. 12.8percent D. 13.4percent
9	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
10	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
11	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
12	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>
13	What remains after deduction of direct taxes lions the personal income:	A. NNI B. DPI C. NDI D. GNP
14	In 2005-06, the crop area of cotton was 3,096 thousand hectares and the crop area of rice was:	A. 2,620 B. 982 C. 8,303 D. 1,100

15	According to law of increasing return, marginal product:	A. Increases B. Decreases C. Remains constant D. None of these
16	Who wrote "The Nature and Significance of Economics":	A. Adam Smith B. Marshall C. Robbins D. Keynes
17	National income does not include:	A. Profit B. Wages C. Interest D. Transfer payments
18	A tax on the accounting profits of corporations is known as:	A. Sales tax B. Excise tax C. Corporate income tax D. Personal income tax
19	Average revenue is equal to:	A. Price B. Total revenue C. Marginal revenue D. Average cost
20	The methods of measuring elasticity of supply are:	A. Three B. Two C. Four D. Five