

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	In the short run, the equilibrium price level and the equilibrium level of total output are determined by the intersection of:	<p>A. The aggregate demand, the short-run aggregate supply and the long-run aggregate supply curves</p> <p>B. The short-run aggregate supply and the long-run aggregate supply curves</p> <p>C. The aggregate demand and the short-run aggregate supply curves</p> <p>D. The aggregate demand and the long-run aggregate supply curves</p>
2	Canons of taxation describes:	<p>A. Marshall</p> <p>B. Keynes</p> <p>C. Robbins</p> <p>D. Adam Smith</p>
3	International trade has the benefits:	<p>A. One</p> <p>B. Three</p> <p>C. Two</p> <p>D. Unlimited</p>
4	The market structure in which strategic considerations are most important is:	<p>A. Monopolistic competition.</p> <p>B. Oligopoly.</p> <p>C. Pure competition.</p> <p>D. Pure monopoly.</p>
5	In 2005-06 which country had the highest growth rate among the following?	<p>A. Egypt</p> <p>B. Singapore</p> <p>C. Kuwait</p> <p>D. Nigeria</p>
6	Macro Economics was introduced by	<p>A. Alfred Marshall</p> <p>B. J.M. Keynes</p> <p>C. N.W. Senior</p> <p>D. J.B. Clark</p>
7	What was the share of livestock to the GNP during 2005-06?	<p>A. 4.7percent</p> <p>B. 6.5percent</p> <p>C. 3.5percent</p> <p>D. 8.0percent</p>
8	The quality of a commodity which satisfies the human wants:	<p>A. Usefulness</p> <p>B. Loss</p> <p>C. Utility</p> <p>D. Return</p>
9	In 2005-06 total production of fish inland and marine in Pakistan was:	<p>A. 5,81,000 tons</p> <p>B. 6,72,000 tons</p> <p>C. 7,44,000 tons</p> <p>D. 8,33,000 tons</p>
10	A monopolistically competitive firm in the long run equilibrium:	<p>A. Will make negative profit.</p> <p>B. Will make zero profit.</p> <p>C. Will make positive profit</p> <p>D. Any of the given are possible.</p>
11	A monopolistically competitive firm in short run equilibrium:	<p>A. Will make negative profit (lose money).</p> <p>B. Will make zero profit (break-even)</p> <p>C. Will make positive profit</p> <p>D. Any of the given are possible.</p>
12	What was the difficulty in the barter System:	<p>A. Excess of goods</p> <p>B. Difference language</p> <p>C. Lack of co-incidence</p> <p>D. Difference in profession</p>
13	Which of the following will be TRUE if real income rose and the interest rate fell following an increase in government purchases?	<p>A. IS curve must be vertical</p> <p>B. LM curve must be vertical</p> <p>C. Central Bank must have increased the money supply at the same time</p> <p>D. Central Bank must have decreased the money supply at the same time</p>

14	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 be demanded at each price C. A decrease in the demand for pen D. A rightward shift in the demand curve for ink
15	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
16	Which Economists presented the law of diminishing marginal utility:	A. Robbins B. Malthus C. Adam Smith D. Marshall
17	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
18	What was the number of buffaloes in 2005-06?	A. 12 million B. 28.4 million C. 34 million D. 40 million
19	Who criticized Prof. Robbin's definition?	A. Marshall, J.B B. Beveridge C. Clark D. Pigeou
20	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