

NAT II Management Science Economy

| Sr | Questions | Answers Choice |
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| 1 | A monopolistically competitive firm in short run equilibrium: | A. <div>Will make negative profit (lose money).</div> B. Will make zero profit (break-even) C. Will make positive profit D. Any of the given are possible. |
| 2 | As more of a good is consumed, then total utility typically: | A. Increases at a decreasing rate. B. <div>Decreases as long as marginal utility is negative</div> C. <div>Decreases as long as marginal utility is positive</div> D. <div>Is negative as long as marginal utility is decreasing.</div> |
| 3 | A market is said to be in equilibrium when: | A. Demand equals output B. There is downward pressure on price C. The amount consumers wish to buy at the current price equals the amount producers wish to sell at that price D. All buyers are able to find sellers willing to sell to them at the current price |
| 4 | 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 |
| 5 | Macro Economics was introduced by | A. Alfred Marshall B. J.M. Keynes C. N.W. Senior D. J.B. Clark |