

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	"Government collects zero revenue if the tax rate is 0% and if the tax rate is 100%." Which of the following best describes this statement?	A. Consumption curve B. Supply curve C. Laffer curve D. Investment curve
2	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Diminishes D. Negative
3	What was the production of rice in million tons in 2005-06?	A. 4.4 B. 5.5 C. 6.6 D. 7.7
4	Given the amount of gross fixed investment percentage of GDP during 2005-06.	A. 14.2 percent B. 18.4 percent C. 25.0 percent D. 26.6 percent
5	In 2005-06 the share of chemicals was 9.08 percent and the share of electricals was:	A. 4.6 percent B. 8.2 percent C. 11.78 percent D. 16.3 percent
6	In February 2006, the Avian Influenza was reported by poultry farm in:	A. Hyderabad B. Karachi C. Multan D. Charsadda
7	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
8	A nation's balance of payments can be affected by changes in:	A. Foreign income B. The differential between domestic and foreign interest rates C. The real exchange rate D. All of the given options
9	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
10	What remains after deduction of direct taxes lions the personal income:	A. NNI B. DPI C. NDI D. GNP
11	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
12	Due to devaluation exports become:	A. Smaller B. Larger C. Cheaper D. Expensive
13	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
14	What is the interest rate effect that explains why the aggregate demand curve slopes downward?	A. It refers to the effect of changes in the price level on quantity of investment demanded which in turn affects interest rates B. It refers to the effect of interest rates on borrowing which in turn affects consumption spending. C. It refers to the effect of changes in the price level on quantity of investment demanded which in turn affects interest rates D. It refers to the effect of interest rates on borrowing which in turn affects consumption spending.

C. It refers to the effect of changes in the price level on interest rates which in turn affects the quantity of investment demanded

D. It refers to the shifts in aggregate demand when interest rates change

15 The supply of perishable goods is:

- A. Fixed
- B. Variable
- C. Minor change
- D. Zero

16 Macro Economics was introduced by

- A. Alfred Marshall
- B. J.M. Keynes
- C. N.W. Senior
- D. J.B. Clark

17 Who described Economics as a science of wealth:

- A. Pigou
- B. Adam Smith
- C. Robbins
- D. Marshall

18 The methods of measuring elasticity of supply are:

- A. Three
- B. Two
- C. Four
- D. Five

19 Who is the writer of Wealth of Nation?

- A. Marshall
- B. Adam Smith
- C. Robbins
- D. Keynes

20 Who presented the quantity theory of money:

- A. Marshall
- B. Robbins
- C. Taussig
- D. Keynes