

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The quality of a good which satisfies a human want is called as:	A. Service B. Cost C. Utility D. None
2	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
3	Which ASEAN nation had the highest growth rate of 7.5 percent in 2005-06?	A. Indonesia B. Malaysia C. Vietnam D. Thailand
4	The quality of a commodity which satisfies the human wants:	A. Usefulness B. Loss C. Utility D. Return
5	Who wrote "The Nature and Significance of Economics":	A. Adam Smith B. Marshall C. Robbins D. Keynes
6	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
7	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
8	Marginal cost curve always intersects average cost curve at:	A. The maximum point B. The central point C. The minimum point D. The vertical point
9	According to law of increasing return, marginal product:	A. Increases B. Decreases C. Remains constant D. None of these
10	Which economist presented the Cardinal Theory of Utility:	A. Marshall B. Canon C. Kroose D. J.B. Say
11	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
12	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.
13	The elasticity of demand of durable goods is:	A. Zero B. More than unity C. Less than unity D. Equal to unity
14	Real GDP is equal to:	A. Nominal GDP - Inflation B. Nominal GDP + Inflation C. Nominal GDP / Inflation D. Inflation / Nominal GDP
15	In inflation prices:	A. Increase B. Do not change C. Decrease D. None

D. Become zero

16	As more of a good is consumed, then total utility typically:	<p>A. Increases at a decreasing rate.</p> <p>B. <div>Decreases as long as marginal utility is negative</div></p> <p>C. <div>Decreases as long as marginal utility is positive</div></p> <p>D. <div>Is negative as long as marginal utility is decreasing.</div></p>
17	What remains after deduction of direct taxes lions the personal income:	<p>A. NNI</p> <p>B. DPI</p> <p>C. NDI</p> <p>D. GNP</p>
18	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>
19	Average revenue is equal to:	<p>A. Price</p> <p>B. Total revenue</p> <p>C. Marginal revenue</p> <p>D. Average cost</p>
20	As compared to existing firms, a new firm entering in monopolist market has:	<p>A. High costs</p> <p>B. Low costs</p> <p>C. Equal costs</p> <p>D. None of the given options</p>