NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Who is the writer of Wealth of Nation?	A. Marshall B. Adam Smith C. Robbins D. Keynes
2	Phases of trade cycle are:	A. One B. Three C. Two D. Four
3	A good for which income and quantity demanded are inversely related is known as:	A. Inferior good B. Complementary good C. Normal good D. None of the given options
4	The aggregate supply curve is the relationship between:	A. The price level and the real domestic output purchased B. The price level and the real domestic output produced C. The price level which producers are willing to accept and the price level purchasers are willing to pay. D. The real domestic output purchased and the real domestic output produced.
5	In 2005-06, bajra was grown on 438 thousand hectares and its production in thousand tons was:	A. 190 B. 221 C. 350 D. 475
6	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
7	What was the production of cotton in 2005-06?	A. 12.4million bales B. 16.2 millionbales C. 18.8 million bales D. 24.1 million bales
8	Double counting in national income refers to:	A. Counting a product more than once B. Counting a product at the final stage of output process C. Counting both as product and as factor payment D. Counting both as real goods and as money flow
9	In the FY 2005-06 the GDP growth rate of Euro area was 1.3 percent, the developing nations 8.6 percent and the world was:	A. 3.5 percent B. 4.8 percent C. 4.5 percent D. 5.5 percent
10	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
11	Rent of building is included in:	A. Fixed cost B. Variable cost C. Marginal cost D. Selling cost
12	The quality of a good which satisfies a human want is called as:	A. Service B. Cost C. Utility D. None
		A. The aggregate demand, the short-run aggregate supply and the long-run aggregate supply curves B. The short-run aggregate supply

13	In the short run, the equilibrium price level and the equilibrium level of total output are determined by the intersection of:	and the long-run aggregate supply curves C. The aggregate demand and the short-run aggregate supply curves D. The aggregate demand and the long-run aggregate supply curves
14	The per capita income was $742 in 2004-05 but in 2005-06, rose to:	A. $ 795 B. $ 847 C. $ 880 D. $900
15	"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
16	Which of the following event will lead towards cost-push inflation and therefore stagflation?	A. An increase in taxes on individuals B. A decrease in real interest rates C. A union settlement that increases wage levels D. An increase in government purchases
17	Real GDP is equal to:	A. Nominal GDP - Inflation B. Nominal GDP + Inflation C. Nominal GDP / Inflation D. Inflation / Nominal GDP
18	Canons of taxation describes:	A. Marshall B. Keynes C. Robbins D. Adam Smith
19	For a study of the long term growth of the economy, we use:	A. Real GNP B. Nominal GNP C. Personal income D. Disposable personal income
20	Under the kinked demand curve model, an increase in marginal cost will lead to:	A. An increase in output level and a decrease in price. B. A decrease in output level and an increase in price. C. A decrease in output level and no change in price. D. Neither a change in output level our a change in price.