

PPSC Economics Chapter 10 Most Frequently Asked Economics MCQS

Sr	Questions	Answers Choice
1	The overall Budget Deficit is financed from	A. External borrowing B. Non bank borrowing domestically C. Bank borrowing plus the above two at a and b D. None of the above
2	The overall Budget Deficit is financed from	A. External borrowing B. Non bank borrowing domestically C. Bank borrowing plus the above two at a and b D. None of the above
3	The overall Budget Deficit is financed from	A. External borrowing B. Non bank borrowing domestically C. Bank borrowing plus the above two at a and b D. None of the above
4	A firm's monopolistic position is strengthened by	A. low elasticity of demand for its product B. High elasticity of demand for its product C. Constant elasticity of demand D. None of the above
5	National Income account of Pakistan have registered GDP & GNP as.	A. $GDP = GNP$ B. $GDP < GNP$ C. $GDP > GNP$ D. GDP / GNP
6	If saving rate is 12.0% , ICOR value is 3% and population Rate is 2.0% then the Growth Rate would be.	A. 2.0% B. 3.65 C. 4.0% D. 6.0%
7	Most commonly referred indicator of inflation is	A. Wholesale price index B. Retail price index C. Consumer price index D. Sensitivity price index
8	Negative taxation refers to.	A. Tax rebate B. Subsidies C. Tax evasion D. Tax avoidance
9	Indirect taxes are	A. Direct taxes - subsidies B. Subsidies C. Sales taxes D. Income taxes
10	Unemployment Rate is a percentage relation with reference is.	A. Total population B. Civilian labour force C. Employed persons D. Unemployed persons
11	Livestock is	A. An independent sector B. Sub -sector of agriculture C. Should be a part of Agriculture D. Would become a part of Agriculture
12	A market is in equilibrium when	A. $Ac = P$ B. $MC = MR$ C. $AC = AR$ D. $TC = TR$
13	There is positive relationship between multiplier and.	A. Marginal propensity to consume B. Marginal propensity to save C. Marginal efficiency of capital D. all of these
14	A pure number by which change in investment is multiplied to change in income is called	A. Multiplier B. Accelerator C. Stabilizer D. None of these

		D. All of these
15	The locus of equilibrium of consumers due to changes in price of a commodity is known as.	A. Price consumption curve B. Income consumption curve C. Producing possibility curve D. None of these
16	If in market the seller is changing different prices for the same commodity from different consumers it is known as.	A. Price discrimination B. efficient selling C. Profit maxi miser in Monopoly D. all of these
17	If the coefficient of income elasticity is negative.	A. Inferior good B. Normal good C. Luxury good D. All of these
18	If the coefficient of price elasticity is less than one	A. It is normal good B. It is inferior good C. It is luxury good D. All of these
19	Disposable income is.	A. Income less taxes B. Income less direct taxes C. income less indirect taxes D. All of these
20	If the % change in quantity demanded is more than % change in price coefficient of price elasticity is.	A. >1 B. <1 C. $=1$ D. $=\text{zero}$